



**DYNEMIC**<sup>®</sup>  
PRODUCTS LTD.

**34<sup>th</sup> ANNUAL REPORT  
2023 - 2024**

**DYNEMIC PRODUCTS LIMITED**



**Bhagwandas K. Patel**  
Managing Director



## Dear Members,

It is a challenging time to be communicating with stakeholders and I thank you all for your enduring trust. During the reporting period, the industry had faced many hurdles due to geopolitical conflict in Europe and heightened tensions in Middle East, coupled with high energy and commodity prices. Also there was transient demand slump due to inventory destocking, rising interest rates and lower product price realisations across markets. Due to which the Company encountered declining realisations in the reporting year apart with a rise from Q3 and Q4 (extending into the first quarter of the current financial year). We are confident that once the overall scenario stabilises, we will resume our growth.

Revenue from Operations stood at INR 28,378 Lacs in FY 23-24 showing a marginal decline of 4% in comparison with FY 22-23 i.e. INR 29,541 Lacs. Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) for FY 23-24 stood at INR 3,259 Lacs which was INR 2,891 Lacs in FY 22-23. There was a net profit of INR 406 Lacs in FY 23-24.

To meet the working capital requirements the Company has come up with Preferential Issue in FY 23-24 by issuing 350000 shares and 400000 convertible warrants and raised Rs. 1658.19 Lacs. Balance amount of Rs. 655.56 Lacs will be raised within 18 months of the issue. The Board of Directors of your Company, after considering the financial performance has decided not to recommend dividend for the FY 23-24.

As we step into FY25, our experience reassures us that the difficult phases are temporary, and companies with strong fundamentals like ours will regain their growth strategy. By effectively leveraging company's three manufacturing facilities and with combined production capacity of 22,644 MT per annum, the company can efficiently meet current and future demand, optimize operational performance, and position itself for long-term success and growth in the specialty chemicals sector.

On behalf of Company, I thank you all for your continued support in our ongoing journey of transformation to deliver results of sustainable growth.

***"Think positive, be positive and positive things will happen"***

**Bhagwandas K. Patel**

**Managing Director**  
**DIN : 00045845**

## Corporate Information

### Board of Directors

Bhagwandas K. Patel	– Managing Director
Rameshbhai B. Patel	– Whole Time Director
Dixit B. Patel	– Whole Time Director
Jagdishbhai S. Shah	– Independent Director
Shankarlal B. Mundra	– Independent Director
Rashmi K. Otavani	– Independent Director

### Committees of Directors

#### Audit Committee

Jagdishbhai S. Shah
Bhagwandas K. Patel
Shankarlal B. Mundra

#### Nomination and Remuneration Committee

Shankarlal B. Mundra
Jagdishbhai S. Shah
Rashmi K. Otavani

#### Stakeholders Relationship Committee

Shankarlal B. Mundra
Bhagwandas K. Patel
Rashmi K. Otavani

#### Corporate Social Responsibility Committee

Bhagwandas K. Patel
Jagdishbhai S. Shah
Rashmi K. Otavani

#### Risk Management Committee

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

#### Company Secretary

Varsha Mehta

#### Chief Financial Officer

Ankit Shah

#### Registered Office

B-301, Satyamev Complex-1, Opposite Gujarat High Court, S.G. Highway, Sola, Ahmedabad – 380060.  
Telephone No. : 079-27663071, 9924011755  
Email : cs@dynemic.com Website : www.dynemic.com

#### Plant Location

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

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

Unit-3 : D/3/3/1, in Dahej-III Industrial Estate, Tal : Vagra,  
Dist : Bharuch, Gujarat

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**DYNEMIC PRODUCTS LIMITED**

**Regd. Office :** B-301, Satyamev Complex-1, Opposite Gujarat High Court,  
S.G. Highway, Sola, Ahmedabad – 380 060.  
**CIN : L24100GJ1990PLC013886**

**Notice**

Notice is hereby given that the 34th Annual General Meeting of the Company will be held through Video Conferencing / Other Audio Visual Means on Saturday, September 28, 2024, at 3.00 p.m. to transact the following business :

**Ordinary Business :**

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2024, the reports of the Board of Directors and Auditors thereon; and the audited consolidated financial statement of the Company for the financial year ended March 31, 2024 and the Report of the Auditors thereon.
2. To appoint a Director in place of Shri Rameshbhai B. Patel, (holding DIN No. 00037568), liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri Rameshbhai B. Patel (DIN: 00037568), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**Special Business :**

3. To ratify payment of remuneration to the Cost Auditors of the Company for FY 2024-25  
To Consider and if thought fit to pass the following resolution as an Ordinary Resolution:-  
**“RESOLVED THAT** pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the Remuneration payable to M/s Anuj Aggarwal & Co., Cost Accountants Ahmedabad (having firm registration No. 102409), appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2025, amounting to Rs. 1,15,000 (Rupees One Lac Fifteen Thousand only) (apart from reimbursement of out-of pocket expenses incurred for the purpose of Audit), be and is hereby ratified and confirmed.  
**RESOLVED FURTHER THAT** Shri Bhagwandas K. Patel, Managing Director of the company be and is hereby authorized to file the necessary forms as and when required.”
4. To appoint Shri Rameshbhai B. Patel (DIN 00037568) as Joint Managing Director of the Company for remaining tenure of his appointment  
To Consider and if thought fit to pass the following resolution as an Special Resolution:-  
**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Members of the Company be and is hereby accorded to the appointment of Shri Rameshbhai B. Patel (DIN 00037568) as Joint Managing Director of the Company for remaining tenure of his appointment.  
**RESOLVED FURTHER THAT** except for the revision in position, all the existing terms and conditions as per Special resolution passed in Annual General Meeting held on December 24, 2020 shall remain unchanged.  
**RESOLVED FURTHER THAT** the approval of shareholders shall be valid only till the expiry of the existing term of Shri Rameshbhai B. Patel, Whole Time Director.  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”
5. To appoint Shri Dixitbhai B. Patel (DIN : 00045883) as Joint Managing Director of the Company for remaining tenure of his appointment  
To Consider and if thought fit to pass the following resolution as an Special Resolution:-  
**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Members of the Company be and is hereby accorded to the appointment of Shri Dixitbhai B. Patel (DIN : 00045883) as Joint Managing Director of the Company for remaining tenure of his appointment.

RESOLVED FURTHER THAT except for the revision in position, all the existing terms and conditions as per special resolution passed in Annual General Meeting held on September 29, 2022 shall remain unchanged.

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

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

6. To adopt new set of MOA

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

“**RESOLVED** that pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) for the time being in force and subject to necessary approval(s), if any, from the competent authorities, approval of the Members of the Company be and is hereby accorded to adopt the altered Memorandum of Association, as uploaded on the website of the Company, in substitution of the existing Memorandum of Association of the Company.

**RESOLVED** further that the existing Clauses III and IV of the Memorandum of Association of the Company be and are hereby altered in the following manner:

(a) The heading of the existing Clause III be substituted and divided into two parts as under:

– Clause III A. The objects to be pursued by the Company on its incorporation are:

– Clause III.B. Matters which are necessary for furtherance of objects specified in Clause III A are:

(b) The existing Clause IV be substituted with the following new Clause IV :

IV. The liability of the members is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

**RESOLVED** further that the Board of Directors of the Company including Committee thereof as authorised by the Board and Shri Bhagwandas K. Patel, Managing Director and Ms. Varsha Mehta, Company Secretary of the Company, be and are hereby authorised severally to do and perform all such acts, deeds, matters and things as may be necessary, proper or expedient and to settle any questions, difficulty or doubts that may arise in regard thereto, without requiring to seek any such further consent or approval of the Members of the Company or otherwise, including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, for the purpose of giving effect to this Resolution.”

7. To adopt new set of AOA

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

“**RESOLVED** that pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) for the time being in force and subject to necessary approval(s), if any, from the competent authorities, approval of the Members of the Company be and is hereby accorded for adoption of new Articles of Association, as uploaded on the website of the Company, in substitution of the existing Articles of Association of the Company.

**RESOLVED** further that the Board of Directors of the Company including Committee thereof as authorised by the Board and Shri Bhagwandas K. Patel, Managing Director and Ms. Varsha Mehta, Company Secretary of the Company, be and are hereby authorised severally to do and perform all such acts, deeds, matters and things as may be necessary, proper or expedient and to settle any questions, difficulty or doubts that may arise in regard thereto, without requiring to seek any such further consent or approval of the Members of the Company or otherwise, including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, for the purpose of giving effect to this Resolution.”

By Order of the Board

Ahmedabad  
August 13, 2024

Varsha R. Mehta  
Company Secretary  
Membership No. A24312

## Notes

1. Ministry of Corporate Affairs (“MCA”) has vide its Circular No.14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 5, 2020, Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as MCA Circulars) read with Securities and Exchange Board of India (“SEBI”) Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“SEBI Listing Regulations”), MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The deemed venue of the AGM will be the Registered Office of the Company.
2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company’s website, websites of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of CDSL (agency for providing the VC and e-Voting facility) i.e. [www.evoting.cdsi.com](http://www.evoting.cdsi.com).
3. Members desirous of getting any information on any items of business of this Meeting are requested to address their queries to Ms. Varsha Mehta, Company Secretary at the email address of the Company [cs@dynemic.com](mailto:cs@dynemic.com) at least ten days prior to the date of the Meeting, so that the information required can be made readily available at the Meeting.
4. The relevant Explanatory Statement and reasons in respect of proposed special business pursuant to Section 102(1) of the Companies Act, 2013 are annexed hereto.
5. Pursuant to provisions of the Companies Act, 2013, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. The Register of Directors’ and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
9. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
10. For receiving all communication (including Annual Report) from the Company electronically:
  - (a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update their email address with the Company or RTA.
  - (b) Members holding shares in dematerialised mode are requested to register/ update their email addresses with the relevant Depository Participant.
11. As per the provisions of Section 72 of the Act, the facility for making a nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nominations are requested to register the same by submitting Form No.SH13. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH14. Members who are either not desiring to register Nomination or would want to opt out, are requested to fill and submit Form No. ISR-3. The said forms can be downloaded from the RTA’s website at <https://www.bigshareonline.com/Resources.aspx> Members are requested to submit the said form to their DP in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio no.
12. The format of the Register of Members prescribed by the MCA under the Act requires the Company/ Registrars and Share Transfer Agents to record additional details of Members, including their PAN details, e-mail address, bank details for payment of dividends, etc. Form No. ISR-1 for capturing additional details is available on the RTA’s website at <https://www.bigshareonline.com/Resources.aspx>  
Members holding shares in physical form are requested to submit the filled-in Form No. ISR- 1 to the RTA in physical mode. Members holding shares in electronic form are requested to submit the details to their respective DP only and not to the Company or RTA.

13. Members are requested to intimate changes, if any, about their name, postal address, e-mail address, telephone/mobile numbers, PAN, power of attorney registration, Bank Mandate details, etc., to their Depository Participant (“DP”) in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, in prescribed Form No. ISR-1, quoting their folio number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
14. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at <https://www.bigshareonline.com/Resources.aspx> It may be noted that any service request can be processed only after the folio is KYC Compliant.
15. Your attention is invited on the Companies (Significant Beneficial Ownership) amendment Rules, 2019 as amended from time to time issued by the Ministry of Corporate Affairs on February 8, 2019. As per said amended rules, a person is considered as a Significant Beneficial Owner if he/she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10%. The beneficial interest could be in the form of a company’s shares or the right to exercise significant influence or control over the company. If any Shareholder is holding shares in the Company on behalf of other or fulfilling the criteria, the shareholder is required to give a declaration specifying the nature of his/her interest and other essential particulars in the prescribed manner and within the permitted time frame.
16. Instructions and Procedure for Remote e-voting, attending the meeting and e-Voting during the AGM

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, September 24, 2024 at 9.00 a.m. and ends on Friday, September 27, 2024 at 5.00 p.m. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 20, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers’ website directly.</p>

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="http://www.cdslindia.com">http://www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<p>1) If you are already registered for NSDL IDEAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDEAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDEAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2 :** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.



- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	<ul style="list-style-type: none"> <li>• Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</li> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [cs@dynemic.com](mailto:cs@dynemic.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER :**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. Shri B. K. Patel, Chartered Accountant of M/s B. K. Patel & Co., (FRN 112647W), 401-404, Vraj Valencia, B/h Mahindra Show Room, S. G. Highway, Sola, Ahmedabad-380060 has been appointed as the Scrutinizer to scrutinize the e-voting process and voting during AGM, in a fair and transparent manner.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

- a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company's email id [cs@dynemic.com](mailto:cs@dynemic.com) or at RTA's email id [investor@bigshareonline.com](mailto:investor@bigshareonline.com)
- b) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- c) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai- 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND UNDER SECURE TRIAL STANDARD ON GENERAL MEETINGS FOR ITEM 3 TO 7****ITEM No. 3**

The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Anuj Aggarwal & Co., Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2024-25 and fixed the remuneration of Rs. 1,15,000 plus GST and out of pocket expenses. As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution. Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2024-25. None of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution. The Board recommends passing of the said resolution as an Ordinary Resolution for the approval of members of the Company.

**ITEM No. 4 and 5**

The Whole-time Director(s) provides dedicated services and significant contribution to the overall growth of the Company. Therefore the Board is of the view that for smooth functioning of the Company it is require to re-designate the positions of Whole Time Directors to Joint Managing Directors for the remaining period of their respective appointments. The Board of Directors on the recommendation of the Nomination and Remuneration Committee at their Meeting held on the 13th August 2024 has appointed Mr. Ramesh B. Patel and Mr. Dixit B. Patel as the Joint Managing Directors of the Company for remaining tenure with effect from 13th August 2024, subject to the approval of the members and subject to all other necessary approvals/sanctions.

Mr. Ramesh B. Patel was appointed as the Whole-time Director of the Company with effect from 1st September 2020 and approval of members was obtained in the Annual General Meeting held on 24th December 2020. Mr. Dixit B. Patel was appointed as the Whole-time Director of the Company with effect from 1st January 2023 and approval of members was obtained in the Annual General Meeting held on 29th September 2022.

Brief resume and other details of Mr. Ramesh B. Patel and Mr. Dixit B. Patel are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board considers that the services of Mr. Ramesh B. Patel and Mr. Dixit B. Patel as the Joint Managing Director of the Company will be valuable for the growth of the Company. Therefore the approval of the members of the Company is sought for revision in the positions of the Directors.

The approval given by the shareholders shall be valid only till the expiry of the term of such Director.

The Board of Directors recommended the resolution at Item No. 4 and 5 of the Notice for approval of Members by Special Resolution.

Shri Bhagwandas K. Patel, Managing Director of the Company may be considered as concerned and interested as being relative of Shri Dixit B. Patel and Shri Ramesh B. Patel and Shri Dixit B. Patel may be considered as concerned and interested as the resolution pertains to himself. None of the other Directors, Key Managerial Personnel and relatives thereof are in any way, concerned or interested in the resolution at Item no. 4 and 5.

**ITEM No. 6**

The Company was incorporated on 14 June, 1990 with the main object of manufacturers, exporters, importers, traders, dealers, processors, agents, sub-agents, brokers, sub-brokers, wholesalers, retailers, commission agents of dyes intermediates, organic and inorganic chemicals, fine chemicals, orgo-chemicals, alum chemical products of every nature and description and compounds derivatives and bye-products thereof and products to be made therefrom specifically S.P.C.P., S.P.M.P., P.M.P. 4-NAP, 4-NAPSA intermediates NW-Acid and other allied products and certain other objects.

The existing Memorandum of Association ("MOA") was adopted by the Company at the time of its incorporation in 1990 and is based on the provisions of the erstwhile Companies Act, 1956. Subsequently, some of the clauses were amended/inserted, from time to time, to cater to specific requirements. Consequent to the enactment of the Companies Act, 2013 (the "Act"), the structure/format of the MOA has undergone change, which requires alteration of several clauses of existing MOA of the Company.

Accordingly, the Board of Directors of the Company ("the Board") at its meeting held on 13th August 2024, recommended for approval of the Members for adoption of altered MOA in substitution of existing MOA with amendment in existing Clauses III and IV of the MOA of the Company, so as to make it consistent and align it with the provisions of the Act.

**Brief highlights of alterations proposed in the MOA are as follows:**

- (a) Existing Clause III of MOA of the Company is substituted and divided into two parts (i) Clause III. A. The objects to be pursued by the Company on its incorporation; and (ii) Clause III. B. Matters which are necessary for furtherance of objects specified in Clause III. A;
  - (b) Existing Clause III A is retained under Clause III A;
  - (c) Sub-clauses 1 to 62 of existing Clause III B are substituted with new sub-clauses 1 to 63 under Clause III B;
  - (d) Existing Clause III C is deleted ;
- and
- (e) Clause IV is substituted to clarify that the liability of the Members is limited to the amount unpaid, if any, on the shares held by them. This has been done in conformity with the provisions of the Act.

Copy of the proposed MOA is available on the website of the Company at [www.dynemic.com](http://www.dynemic.com) and is also available for inspection by the Members at the Registered Office of the Company on any working day between 2.00 P.M. to 4.00 P.M. upto the last date of exercising the remote e-voting by Members i.e. 27th September, 2024.

As per the provisions of Section 13 and other applicable provisions, if any, of the Act read with the Companies (Incorporation) Rules, 2014, approval of the Members of the Company by way of Special Resolution is required for adoption of altered MOA in substitution of existing MOA.

Accordingly, the Board recommends the aforesaid Resolution for approval by the Members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives, except to the extent of their shareholding in the Company, if any, is concerned or interested, financially or otherwise, in the aforesaid Special Resolution.

#### ITEM No. 7

The existing Articles of Association (“AOA”) was adopted by the Company at the time of its incorporation in 1990 based on the provisions of the erstwhile Companies Act, 1956. Subsequently, some of the clauses were amended/inserted, from time to time, to cater to specific requirements.

Consequent to the enactment of the Companies Act, 2013 (the “Act”), the regulatory provisions have undergone comprehensive changes which has necessitated several amendments in AOA of the Company including deletion of certain redundant Articles.

Accordingly, the Board of Directors of the Company (“the Board”) at its meeting held on 13th August, 2024, recommended for approval of the Members for adoption of new AOA in substitution of existing AOA to make it consistent and align it with the provisions of the Act and the Rules made thereunder.

Copy of the proposed AOA is available on the website of the Company at [www.dynemic.com](http://www.dynemic.com) and is also available for inspection by the Members at the Registered Office of the Company on any working day between 2.00 P.M. to 4.00 P.M. upto the last date of exercising the remote e-voting by Members i.e. 27th September, 2024.

As per the provisions of Section 14 and other applicable provisions, if any, of the Act read with the Companies (Incorporation) Rules, 2014, approval of the Members of the Company by way of a Special Resolution is required for alteration of AOA by adoption of new AOA in substitution of existing AOA.

Accordingly, the Board recommends the aforesaid Resolution for approval by the Members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives, except to the extent of their shareholding in the Company, if any, is concerned or interested, financially or otherwise, in the aforesaid Special Resolution.

### Annexure to Notice Details of Directors seeking Appointment / Re-appointment

Particulars	Shri Rameshbhai B. Patel
Age	61
Qualifications	Bachelor of Science
Experience (Brief Resume)	Shri Rameshbhai B. Patel aged 61 years is Bachelor of Science having rich experience of above 35 years in colour & chemical industry and is one of the promoter of the Company. He is in charge of total production/R&D of Unit I at Ankleshwar. He has been instrumental and a driving force for increasing efficiency of plants, developing new product/expanding product range, selecting technology at Dynemic Products Ltd. He was appointed as Whole Time Director of the Company for a period of 5 years with effect from 01.09.2020 which was approved by the shareholders in the 30th Annual General Meeting held on 24.12.2020.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 6 of the Notice convening Annual General Meeting on December 24, 2020 read with explanatory statement thereto.
Remuneration last drawn (including sitting fee, if any)	Rs. 85.53 Lakhs
Remuneration proposed to be paid	As per resolution passed at item no. 7 in AGM dated September 29, 2022
Date of First appointment on the Board	14.06.1990
Shareholding in the Company as on March 31, 2024	713993
Relationship with other Directors / KMP	None
Number of meetings of the Board attended during the year	6
Directorships of other Boards as on March 31, 2024	<ul style="list-style-type: none"> <li>• Cerecon Bio-Sciences Private Limited erstwhile Dynamic Overseas (India) Private Limited – Subsidiary Company</li> <li>• Ratnamani Bio-Chemicals and Pharmaceuticals Private Limited</li> </ul>
Chairman / Member of the Committees of the Board of the Company as on March 31, 2024	Nil
Chairman / Member of Committees of other Boards as on March 31, 2024	Nil
Listed Companies from which resigned in the past three years	Nil

Particulars	Shri Dixitbhai B. Patel
Age	44
Qualifications	Bachelor of Science and had done Diploma in Export Management
Experience (Brief Resume)	Shri Dixit B. Patel aged 44 years is Bachelor of Science and had done Diploma in Export Management. He is young and enthusiastic Director, mainly looking after exports which contributes nearly about 75% of Company's turnover. Shri Dixit Patel has more than 22 years experience in the export field. He was appointed as Whole Time Director of the Company for a period of 5 years with effect from 01.01.2023 which was approved by the shareholders in the 32nd Annual General Meeting held on 29.09.2022.
Terms and Conditions of Appointment / Re-appointment	As per the resolution at item no. 5 of the Notice convening Annual General Meeting on September 29, 2022 read with explanatory statement thereto.
Remuneration last drawn (including sitting fee, if any)	Rs. 88.29 Lakhs
Remuneration proposed to be paid	As per resolution passed at item no. 5 in AGM dated September 29, 2022
Date of First appointment on the Board	01.01.2008
Shareholding in the Company as on March 31, 2024	185502
Relationship with other Directors / KMP	Son of Shri Bhagwandas K. Patel, Managing Director
Number of meetings of the Board attended during the year	6
Directorships of other Boards as on March 31, 2024	<ul style="list-style-type: none"> <li>• Dynamic Overseas (India) Private Limited – Subsidiary Company</li> <li>• Dymenic Holdings Private Limited – Associate Company</li> <li>• DBK Chemtech Private Limited</li> </ul>
Chairman / Member of the Committees of the Board of the Company as on March 31, 2024	Member of Risk Management Committee
Chairman / Member of Committees of other Boards as on March 31, 2024	Nil
Listed Companies from which resigned in the past three years	Nil

**By Order of the Board**

**Ahmedabad**  
**August 13, 2024**

**Varsha R. Mehta**  
**Company Secretary**  
**Membership No. A24312**

## Boards' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 34th Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2024.

### FINANCIAL RESULTS

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31st March'24	Year ended 31st March'23	Year ended 31st March'24	Year ended 31st March'23
Revenue from Operations	27958	28813	27972	28855
Other Operating Income	420	728	433	736
<b>Total Income from Operations (net)</b>	<b>28378</b>	<b>29541</b>	<b>28405</b>	<b>29591</b>
Other Income	64	34	69	38
<b>Total Income</b>	<b>28442</b>	<b>29575</b>	<b>28474</b>	<b>29629</b>
Profit before Interest, Depreciation & Amortization and Tax Expenses	3259	2891	3268	2914
Finance Cost	1289	1610	1289	1611
Depreciation & Amortization	1668	1675	1668	1675
<b>Profit Before Tax</b>	<b>302</b>	<b>(394)</b>	<b>311</b>	<b>(372)</b>
Provision for Current Tax	0	0	13	6
Provision for Deferred Tax	(104)	(33)	(64)	(84)
<b>Total Tax</b>	<b>(104)</b>	<b>(33)</b>	<b>(51)</b>	<b>(78)</b>
<b>Profit after Tax</b>	<b>406</b>	<b>(361)</b>	<b>362</b>	<b>(294)</b>
Other Comprehensive Income	22	(6.48)	22	(6)
<b>Total Comprehensive Income / (Expenses)</b>	<b>428</b>	<b>(367.17)</b>	<b>384</b>	<b>(300)</b>

### RIGHTS ISSUE

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

### PREFERENTIAL ISSUE

The Members in the Annual General Meeting held on 12th September, 2023 inter alia considered and approved the raising of funds by way of Preferential Issue by issuing 3,50,000 Equity shares and 4,00,000 convertible warrants for an amount not exceeding ₹23.14 Crore. The purpose/object to raise capital was to meet Working Capital and General Corporate Purposes.

The company allotted 3,50,000 Equity shares during the year.

### DIVIDEND

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

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

### AMOUNTS, IF ANY, WHICH IT PROPOSES TO CARRY TO ANY RESERVES

The Board of Directors has decided not to transfer any amount to any reserves.

### COMPANY'S OPERATIONS

Information on operational and financial performance, etc. of the Company for the financial year is given in the Management Discussion and Analysis which is set out as Annexure E to the Boards' Report.

### ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

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

## **CHANGE IN NATURE OF BUSINESS**

The Company has not changed its nature of Business during the year under review.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

As part of its initiatives under “Corporate Social Responsibility” (CSR), the company has contributed funds to Dynemic Foundation. The contributions in this regard has been made to the registered trust which is undertaking these scheme.

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

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company is given in the notes to the financial statements.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Pursuant to requirement of the Companies Act, 2013, Shri Rameshbhai B. Patel shall retire at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting has been provided in the Notice of the Annual General Meeting, forming part of the Annual Report.

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. In accordance with Section 149(7) of the Act, each independent director has given a written declaration to the Company confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Act and SEBI Regulations.

During the year under review Shri Jagdish S. Shah and Shri Shankarlal B. Mundra had retired from the second term on 31st March, 2024 as an independent directors. The Board of Directors of the Company after approval of Shareholders had appointed Shri Vikash Jain and Shri Iyengar Padmanabhan as an Independent Director of the Company for a term of 5 (five) years with effect from April 1, 2024 to March 31, 2029 (both days inclusive).

## **Nomination and Remuneration Policy**

Company's Policy on Directors, KMP and other employees as per Section 134(3) of Companies Act, 2013 is given in Corporate Governance Section forming part of Annual Report.

## **Meetings**

The Board of Directors duly met 6 (Six) times respectively on 21.04.2023, 30.05.2023, 14.08.2023, 26.09.2023, 10.11.2023 and 14.02.2024 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR.

In terms of the provisions of rule 8(5)(iia) of the Companies (Accounts) Rules, 2014, the Board opines that the Independent directors so appointed/re-appointed hold highest standards of integrity and possess necessary expertise and experience.

## **INSURANCE**

All movable and immovable properties as owned by the Company continued to be adequately insured against risks.

Directors and Officers Liability Insurance Policy : The Company has a Directors and Officers Liability Insurance Policy which protects Directors and Officers of the Company for any breach of fiduciary duty.

## **DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and also has constituted Internal Complaints Committee (ICC). All employees (permanent, contractual, temporary, trainees) are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year.

- No. of complaints filed during the financial year - NIL
- No. of complaints disposed off during the financial year – Not Applicable
- Number of complaints pending as on end of the financial year - NIL

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013 it is hereby confirmed that :

- in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards had been followed and that there are no material departures;

- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for the year under review;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the accounts for the financial year ended March 31, 2024 on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Prior Omnibus approval of the Audit Committee is obtained on yearly basis for the transactions which are of a foreseen and repetitive nature. The Company had also taken members' approval at its Annual General Meeting held on 11th September, 2014 for entering into the transactions with Related Parties. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website <http://www.dynemic.com/db/uploads/5m1124157539.pdf> Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Disclosure of transactions with promoter / promoter group holding 10% or more shareholding.

(in Lacs)

Name of Promoter	Transaction Type	Amount
Shri Bhagwandas K. Patel Number of shares – 1267541 (10.54%)	Remuneration	99.38
	Dividend	0.00

Transactions with related parties are disclosed in Note No. 38 to the Annual Financial Statements.

#### Material Changes:

There have been no material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since March 31, 2024. Further, it is hereby confirmed that there has been no change in the nature of business of the Company.

#### AUDITORS :-

##### (A) STATUTORY AUDITOR :-

M/s B. K. Patel & Co., Chartered Accountants were appointed as Statutory Auditors of your Company at the Annual General Meeting held on September 29, 2022 for a term of five consecutive years. The Companies (Amendment) Act, 2017 has waived the requirement for ratification of the appointment by the members at every AGM. Hence, the approval of the members is not being sought for the re-appointment of the Statutory Auditors.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

##### (B) SECRETARIAL AUDITOR:-

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed M/s. Ashok P. Pathak & Company, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure C" for the financial year ended on March 31, 2024. The Secretarial Audit Report contains qualification remark.

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

- The Company has provided the details of CSR Activities forming part of Board's Report but the format in which the said details are provided is not as per the format provided in Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended vide the Companies (Corporate Social Responsibility Policy), Amendment Rules, 2021. The Company though has not provided as per format but all the required details are covered under the said report.
- As per the requirement of sub-rule (8) of Rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, every Company shall within a period of sixty days after the holding of Annual General Meeting or the date on which it should have been held as per the provisions of section 96 of the Act, whichever is earlier and every year thereafter till completion of the seven years period, identify the unclaimed amounts, as referred in sub-section (2) of section 125 of the Act, as on the date of closure of financial



year the account of which are to be adopted in the Annual General Meeting as per sub-section (1) of section 137 of the Act, separately furnish and upload on its own website and also on website of Authority or any other website as may be specified by the Government, a statement or information of unclaimed and unpaid amounts separately for each of the previous seven financial years through Form No. IEPF 2 containing specified information. The Company has filed Form IEPF 2 well in time but due to technical difficulties the said SRN has been cancelled. Company is in process of again filing the Form IEPF 2.

#### **(C) COST AUDITOR:-**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the Cost Audit records maintained by the Company are required to be audited by a qualified Cost Accountant.

Your Directors have on the recommendation of the Audit Committee, appointed M/s Anuj Aggarwal & Co., Cost Accountants (Firm Registration number 102409) to audit the cost accounts of the Company for the Financial Year 2024-25. As required under the Act, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification.

A Resolution seeking ratification of remuneration payable to M/s Anuj Aggarwal & Co, Cost Accountants is included in the Notice convening the Annual General Meeting.

#### **ANNUAL RETURN:**

In accordance with the provisions of Section 92(3) of the Act, Annual Return of the Company as on March 31, 2024 is hosted on the website of the Company at <https://www.dynemic.com/db/uploads/5m1652413924.pdf>

#### **RISK MANAGEMENT :**

In compliance with the provisions of Regulation 21 of SEBI LODR Regulations, the Board of Directors has constituted a Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

At present the company has not identified any element of risk which may threaten the existence of the company.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

As per Clause 34(2) (e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report, is appended to this report.

#### **CORPORATE GOVERNANCE:**

A separate section on Corporate Governance practices followed by the Company, together with a certificate from Practicing Company Secretary confirming compliance forms an integral part of this Report, as per SEBI Regulations.

#### **PARTICULARS OF EMPLOYEES**

There was no employee drawing salary in excess of limits described under Section 134 of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014.

#### **DEPOSITS**

The Company has not accepted any deposits during the year under report.

#### **CONSOLIDATED FINANCIAL STATEMENT**

The Consolidated Financial Statements of the Company for the Financial Year 2023-24 are prepared in compliance with the applicable provisions of the Act, Accounting Standards and Regulations as prescribed by Securities and Exchange Board of India (SEBI) under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Financial Statements of the Company, the Consolidated Financial Statements along with all relevant documents and the Auditor's Report thereon form part of this Annual Report. The Financial Statements as stated above are also available on the website [www.dynemic.com](http://www.dynemic.com) of the Company.

#### **SUBSIDIARY AND ASSOCIATE COMPANY**

A report on the performance and financial position of subsidiary and associate company as per Companies Act, 2013 is provided in Annexure –D.

#### **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The details in respect of internal financial control and their adequacy are included in the Management and Discussion & Analysis, which forms part of this report.

#### **Vigil Mechanism and Whistle Blower Policy**

The Company has a WHISTLE BLOWER POLICY to deal with instance of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct, if any. The details of the WHISTLE BLOWER POLICY are posted on the website of the Company. During the year under review, no employee was denied access to the Audit Committee <http://www.dynemic.com/db/uploads/5m674996272.pdf>

**Business Responsibility and Sustainability Report (BRSR)**

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

**DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

In terms of the provisions of section 143(12) of the Act read with rule 13 of the Companies (Audit and Auditors) Rules, 2014, during the year under review, the auditors have not reported any frauds to the Audit Committee or to the Board and therefore, no details pursuant to the provisions of section 134(3)(ca) of the Act are required to be disclosed.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

During the year under review there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

Not applicable

**GENERAL**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

**ACKNOWLEDGEMENT**

The Board wishes to express appreciation and place on record its gratitude for the faith reposed in and co-operation extended to the Company by all customers, vendors, investors, bankers, insurance companies, consultants and advisors of the Company. Your Directors place on record their appreciation of the dedicated and sincere services rendered by the employees of the company.

**For and on Behalf of the Board of Directors**

**Ahmedabad  
August 13, 2024**

**Bhagwandas K. Patel  
Managing Director  
DIN : 00045845**

**Dixitbhai B. Patel  
Director  
DIN : 00045883**

## DETAILS PERTAINING TO EMPLOYEES AS

### REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sr.No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for FY 2023-24 *(Rs. in Lakhs)	% increase in Remuneration in the FY 2023-24	Ratio of remuneration of each Director / to median remuneration of employees
1	Bhagwandas K. Patel Managing Director	85.47	0.00%	35.61
2	Rameshbhai B. Patel Whole Time Director	81.90	0.00%	34.12
3	Dixitbhai B. Patel Whole Time Director	78.32	0.00%	32.63
4	Ankit Shah Chief Financial Officer	12.93	0.00%	5.39
5	Varsha R. Mehta Company Secretary and Compliance Officer	11.13	0.00%	4.64

\* Excluding Commission and Leave Pay

- i) The median remuneration of employees of the Company during the financial year was 2.40 lakhs
- ii) In the financial year, there was 0% increase in the median remuneration of employees;
- iii) There were 446 permanent employees on the rolls of Company as on March 31, 2024;
- iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-24 was -37%.
- v) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- vi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- viii) The disclosure require as per Rule 5(2) Section 197 is not applicable as there were no employees drawing remuneration exceeding the limit.

## ANNEXURE A - TO THE BOARDS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

**A. CONSERVATION OF ENERGY :**

(i) Steps taken for conservation of energy

The Company has adopted several energy conservation measures besides what had been carried out earlier. Periodical testing is being taken for each unit of power supply to verify that the energy consumed is minimized.

(ii) Steps taken by the Company for utilizing alternate sources of energy – N.A.

(iii) The Capital investment on energy conservation equipments - Nil

**B. TECHNOLOGY ABSORPTION :**

(i) Efforts towards technology absorption – Continuous endeavor to improve Product Quality & Process Yield.

(ii) The benefits derived like product improvement, cost reduction, product development or import Substitution – The Company is able to market its value added products in Domestic as well as International Market

(iii) Information regarding imported technology (Imported during last three years) - Nil

(iv) Expenditure incurred on Research and Development - Nil

**C. FOREIGN EXCHANGE EARNING AND OUTGO :**

(in Lakhs)

	Current Year Rs.	Previous Year Rs.
• Foreign Exchange earned	17997.18	21247.42
• Foreign Exchange used	5014.45	5577.83

For and on Behalf of the Board of Directors

Ahmedabad  
August 13, 2024

Bhagwandas K. Patel  
Managing Director  
DIN : 00045845

Dixitbhai B. Patel  
Director  
DIN : 00045883

## Annexure B to Board Report

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

CSR policy is stated herein below :

#### CSR Policy

(Approved by the Board of Directors on 08.11.2014 and amended from time to time)

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. To pursue these objectives we will continue to spend the required amount as provided in Schedule VII of the Companies Act, 2013

2. Composition of CSR committee

Name of The Member	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Shri Bhagwandas K. Patel	Chairman	May 30, 2023 February 14, 2024 (Two meetings held)	2
Shri Jagdish Shah	Member		2
Mrs. Rashmi K. Otavani	Member		2

3. Web Link : [http://www.dynemic.com/corp\\_pdf/board\\_of\\_directors\\_committees.pdf](http://www.dynemic.com/corp_pdf/board_of_directors_committees.pdf)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). -- Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
NIL			

6. Average net profit : Rs. 19.18 Crores
7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 38.36 Lacs  
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years : Nil  
 (c) Amount required to be set-off for the financial year, if any : Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 38.36 Lacs

8. (a) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 38.37 Lacs	Not Applicable				

- (b) Details of CSR amount spent against ongoing projects for the financial year :

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of Project (State / District)	Project duration (in years)	Amount allocated for the project (in Rs.)	Amount spent in the current F.Y. (in Rs.)	Amount transferred to Unspent CSR account for the project as per Section 135(6) (in Rs.)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
									Name	CSR Regn. No.
Nil										

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of Project (State / District)	Amount spent for the project (in Rs.).	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through Implementing Agency	
						Name	CSR Regn. No.
Women empowerment Medical and Health Care, Rural Development, Education, Food , Grocery & Clothes Distribution and livelihood for the needy person	Promoting education, Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, Disaster management, including relief, rehabilitation and reconstruction activities	Yes	Gujarat / Ahmedabad	20,00,000	No	Raginiben Bipinchandra Sevakaraya Trust Ahmedabad	CSR00012645
Distributing Food Packs/ Grains to needy people Rural Developments, Education, Women Empowerment, Medical Activities and Environment Protection Activities	Promoting education, Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, Disaster management, including relief, rehabilitation and reconstruction activities	No	Gujarat / Anand	18,37,000	No	Arya Foundation	CSR00032202

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial Year (8a+8b+8c+8d+8e) : Rs. 38.37 Lacs

(g) Excess amount for set-off, if any :

Sr.No.	Particular	Amount (in Rs.)
1.	Two percent of average net profit of the Company as per section 135(5)	38.36 Lacs
2.	Total amount spent for the Financial Year	38.37 Lacs
3.	Excess amount spent for the financial year [(ii) - (i)]	0.01 Lacs
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.01 Lacs

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Project ID	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
NIL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not Applicable

**B.K. Patel**  
DIN : 00045845  
(Chairman of CSR Committee)

**J.S. Shah**  
DIN : 00037826  
(Member of CSR Committee)

**R.K. Otavani**  
DIN : 06976600  
(Member of CSR Committee)

**Annexure C to Board Report**  
**FORM NO. MR.3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Dyemic Products Limited  
B-301, Satyamev Complex-1  
Gandhinagar-Sarkhej Highway Road Court,  
Sola. Ahmedabad.380 063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Dyemic Products Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Dyemic Products Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time, where applicable;
  - (d) \* The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) \* The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) \*The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
  - (h) \*The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (j) \*The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; and
  - (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

\* No event took place under these regulations during the audit period.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2) issued by The Institute of Company Secretaries of India which the company has generally complied with.

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

- a. Compliance Requirement :-** As per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 the Format for Annual Report on CSR Activities to be included in the Board's Report for financial year Commencing on or after 1st April, 2020 should be in Annexure II.

**Observation / Remark :-**

The Company has provided the details of CSR Activities forming part of Board's Report but the format in which the said details are provided is not as per the format provided in Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended vide the Companies (Corporate Social Responsibility Policy), Amendment Rules, 2021.

- b. Compliance Requirement :-** As per the requirement of sub-rule (8) of Rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, every Company shall within a period of sixty days after the holding of Annual General Meeting or the date on which it should have been held as per the provisions of section 96 of the Act, whichever is earlier and every year thereafter till completion of the seven years period, identify the unclaimed amounts, as referred in sub-section (2) of section 125 of the Act, as on the date of closure of financial year the account of which are to be adopted in the Annual General Meeting as per sub-section (1) of section 137 of the Act, separately furnish and upload on its own website and also on website of Authority or any other website as may be specified by the Government, a statement or information of unclaimed and unpaid amounts separately for each of the previous seven financial years through Form No. IEPF 2 containing specified information.

**Observation / Remark :-**

The Company has not filed e-Form IEPF 2 in compliance with the provisions of sub-rule (8) of Rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

**We further report that**

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. There was no change in the composition of the Board of Directors during the period under review.
- b. Adequate notices were given to all directors of the Board Meetings. Agenda and detailed notes on agenda are sent in advance of the meetings and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- c. Board decisions are carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that based on the compliance mechanism established by the company and on the basis of the Compliance Certificate(s) issued by the Respective Plant Heads / Department Heads and take on record by the Board of Directors at their meeting(s), we are of the opinion that the management has :

- a. Adequate systems and processes commensurate with its size and operation, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b. Identified and complied with following laws applicable to the company :
1. Food Safety and Standards Act, 2006;
  2. Indian Boiler Act, 1923
  3. The Trade Marks Act, 1999

We further report that during the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. except as mentioned below :

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

The Right Issue Committee has confirmed full payment on 335135 Equity Shares vide their meeting held on 06.01.2023

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

- b) The Company has allotted total 3,50,000 Equity Shares of face value Rs.10/- each at a premium of Rs. 298.50/- per share aggregating to Rs.1079.75 Lakhs on preferential basis and issued 4,00,000 Convertible warrants (fully convertible, partly paid up, against which the Company has received Rs.308.50 Lakhs (25% of aggregate amount of Warrants of Rs.1234.00 Lakhs) in September 2023 and Rs.269.94 Lakhs in March 2024 which are convertible into, on exchangeable for, 1 (one) fully paid-up equity share of the Company of face value of Rs. 10/- each on a preferential of basis of Rs.308.50, which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (Eighteen) months.

**For, Ashok P. Pathak & Co.,**  
**Company Secretaries,**  
**ICSI Unique Code : S1997GJ020700**

**CS Ashok P. Pathak**  
**Proprietor**

**ACS No : 9939 | COP No : 2662**

**Peer Review Certificate No. : 1519/2021**

**ICSI UDIN : A009939F000960900**

**August 13, 2024**  
**Ahmedabad**

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

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



## ANNEXURE- I to Secretarial Audit Report

### The Members

Dynemic Products Limited  
B-301, Satyamev Complex-1  
Gandhinagar-Sarkhej Highway Road Court,  
Sola. Ahmedabad.380 063

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

1. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For, Ashok P. Pathak & Co.,  
Company Secretaries,  
ICSI Unique Code : S1997GJ020700**

**CS Ashok P. Pathak  
Proprietor**

**ACS No : 9939 | COP No : 2662  
Peer Review Certificate No. : 1519/2021**

**August 13, 2024  
Ahmedabad**

## ANNEXURE D

[Pursuant to first proviso to sub-section [3] of section 129 read with rule 5 of Companies [Accounts] Rules, 2014]  
**Statement containing salient features of the Financial Statement of Subsidiary / Associate as per Companies Act, 2013**

(Rs. in Lakhs)

PART "A" SUBSIDIARY	
Name of the subsidiary	Cerecon Bio Sciences Private Limited (Erstwhile Dynamic Overseas (India) Private Limited)
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2023 to 31.03.2024
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
Share capital	21.00
Reserves & surplus	96.39
Total assets	120.76
Total Liabilities	120.76
Investments	0
Turnover	316.96
Profit before taxation	8.37
Provision for taxation	1.89
Profit after taxation	6.48
Proposed Dividend	Nil
% of shareholding	98.09%

1. Names of subsidiaries which are yet to commence operations – N.A.
2. Names of subsidiaries which have been liquidated or sold during the year – N.A.

(Rs. in Lakhs)

PART "B" ASSOCIATE – Statement pursuant to Section 129(3) of the Companies Act, 2013	
Name of Associate	Dynemic Holdings Private Limited
Latest audited Balance Sheet Date	31/03/2024
Shares of Associates held by the Company on the year end	
No.	1010000
Amount of Investment in Associates (in Rs.)	101.00
Extend of Holding (%)	49.22%
3. Description of how there is significant influence	There is significant influence due to percentage(%) of Share Capital
4. Reason why the associate/joint venture is not consolidated	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	88.78
6. Profit/Loss for the year	
i. Considered in Consolidation	(0.57)
ii. Not Considered in Consolidation	0

1. Names of associates or joint ventures which are yet to commence operations – N.A.
2. Names of associates or joint ventures which have been liquidated or sold during the year – N.A.

For and on Behalf of the Board of Directors

Ahmedabad  
August 13, 2024

Bhagwandas K. Patel  
Managing Director  
DIN : 00045845

Dixitbhai B. Patel  
Director  
DIN : 00045883

## ANNEXURE E - Management Discussion and Analysis Report

### Industry Structure & Development

During the year, the Company witnessed pricing pressures across segments on account of declining input costs, resulting in lower realization. The benefit of lower input costs was not reflected in the margins due to the consumption of high-cost inventory from the earlier period. There are signs that the global outlook has started to brighten, though growth remains modest. The global food colors market size was valued at USD 4.6 billion in 2023. It is expected to reach USD 6.0 billion by 2028, growing at a CAGR of 5.4% during the forecast period (2023-2028). With the advent of food technology, a wide range of synthetic food colors as available for use in processed food and beverage products. Synthetic food colors imparts vibrant hues to processed food and beverage products and make them look more appetizing. Some of the common synthetic food colors are blue, red, green, yellow.

Synthetic colors are usually preferred by food & beverage manufacturers as they are less expensive and are also effective in giving an intense and uniform color to the final processed product. They can also be blended easily to give a variety of hues to manufacture a wide range of bakery, confectionary and beverage products. The major purpose of adding colorants to food products is to develop the finished products in a way that is appealing to consumers and creates a perception of colors that match the flavor during consumption. The purpose of food coloring is to replace the color lost during food processing as well as to enhance the inherent color, minimize variations, and color uncolored food.

### Opportunities and Threats

The increasing popularity of processed and packaged food products has contributed to the growth of the food colors market. Processed foods often require the addition of food colors to enhance their appearance, as they may lose color during processing or lack visual appeal. As consumers continue to seek convenience and a wide variety of food options, the demand for food colors to improve the visual appeal of processed foods remains high. As soon as the price pressure overhang in the Global markets begins to ease, the Company's capacity utilization, realizations and surplus should rebound, enhancing stakeholder's value.

Synthetic food colors market is projected to witness a CAGR of 5.7% from 2024 to 2030. Synthetic colors are often more cost-effective and readily available, making them a preferred choice for many companies seeking vibrant and consistent color options. With the increasing demand for vibrant and appealing food products, the availability of synthetic food colors in the required quantities and at the right time is crucial for the food industry.

Regulatory bodies such as the European Union, the FDA, and other associations have implemented guidelines and restrictions on the use of synthetic food colors in consumables. These regulations aim to control the application and quantity of artificial colors in food products to safeguard public health and ensure the safety of consumers, particularly children, who may be more susceptible to the potential adverse effects of these additives.

### Risks and Concerns

- Volatility in Currency rates of USD.
- Global Raw Material Prices and Demand.
- Stringent environmental regulations & conditions imposed.
- End users for food colors mainly include individuals and restaurants & food joints. Consumers are increasingly seeking food products made with recognizable ingredients, Consumers are more inclined towards natural food colors owing to the growing clean label trend in food industry.

### Financial and Operational Performance

#### (a) Net Sales and Other Income

Sales during the year ended March 31, 2024 were Rs. 27958 Lakhs as against Rs. 28813 Lakhs in the previous year, an decrease of Rs. 855 Lakhs in comparison over the previous year. During the year Operating Income was Rs. 420 Lakhs and other income increased from Rs. 34.34 Lakhs to Rs. 64.03 Lakhs.

#### (b) Expenditure

The total expenditure decreased from Rs. 29969 Lakhs to Rs. 28140 Lakhs for the year under review showing a decrease of Rs. 1829 Lakhs over the previous financial year.

#### (c) Profit

There was a Net Profit of Rs. 406 Lakhs during the year under review.

(d) Significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios -

Name of Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% changes over previous year	Reasons for more than 25% changes
(a) Current Ratio	Current assets	Current Liabilities	0.87	0.87	(0.14%)	NA
(b) Debt-Equity Ratio	Total Debt	Total Equity	0.98	1.27	22.86%	NA
(c) Debt Service Coverage Ratio	PAT + Depreciation + Term Loan Interest	Term Loan Interest + Term Loan Repayment	0.70	0.68	3.47%	NA
(d) Return on Equity Ratio	PAT	Average Equity	2.12%	(2.06%)	203.24%	See Note #
(e) Inventory turnover ratio	Total Revenue from Operation	Average Inventory	4.33	5.04	(14.04%)	NA
(f) Trade Receivables turn-over ratio	Total Revenue from Operation	Average Trade Receivables	5.37	6.04	(11.24%)	NA
(g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	2.45	3.13	(21.90%)	NA
(h) Net capital turnover ratio	Total Revenue from Operation	Net Working Capital	(14.71%)	(15.70%)	6.34%	NA
(i) Net profit ratio	Net Profit ( PAT)	Total Revenue from Operation	1.43%	(1.22%)	217.24%	See Note #
(j) Return on Capital employed	Earnings Before Interest and Taxes (EBIT)	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	6.56%	4.67%	40.48%	See Note #
(k) Return on investment	Income generated from invested funds	Average of Investment & Fixed Deposits	14.97%	10.30%	45.33%	See Note #

**Note:- #**

With increase in utilisation of Production capacity of Unit-3, profit in FY 2023-24 increased in comparison with FY 2022-23.

**Segment wise or Product wise performance**

The Company is engaged in manufacturing and marketing of Dyes & Intermediates. There is only one reportable segment i.e. "Dyes & Dyes Intermediates". So the segment wise or product wise performance report is not given in the report.

**Outlook**

One of the key drivers is the increasing importance of visual appeal in the food industry. Food colors are used to make food and beverages more attractive to consumers. The vibrant and visually appealing food products tend to have a higher perceived value and are more likely to be purchased. The market is expected to exhibit a low threat of new entrants on account of extensive portfolio offered and distribution network operated by existing players, which results in a high entry barrier for the new entrants. Besides, the high switching cost for the buyers makes it difficult for new players to gain a significant market share, thereby lowering the threat of new entrants.

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

**Environmental & Hazardous Safety And Quality Assurance**

In pursuit of excellence & meeting the changes that happen time to time & also to fulfill the requirements received from customers, your Company continued to integrate its ISO 9001:2015, ISO:14001, FSSC:22000, HACCP and other certification. Your Company is committed to ensuring the highest standards of environment management and strict compliance with regulatory requirements at all times. All the products manufactured by Dynamic meet the regulatory requirement under FSSAI, EU, USFDA and also fulfill criteria of Kosher & Halal, & WHO-GMP Certification.

Your company is committed to socio-environmental aspects and go beyond compliance norms of competitive authorities.

**Internal Control Systems And its Adequacy**

Your Company has a comprehensive system of internal controls to safeguard the Company's assets against loss from unauthorized use and ensure proper authorization of financial transactions. The Company has an exhaustive budgetary control system to monitor all expenditures against approved budgets on an ongoing basis. The Company maintains a system of internal controls designed to provide assurance regarding the effectiveness

and efficiency of operations, the reliability of financial controls and compliance with applicable laws and regulations as applicable in the various jurisdictions in which the Company operates.

#### **Human Resources**

Our employees are our most precious assets and we value their commitment. Relations with the employees at all levels remained cordial during the year. Your Company has 446 permanent employees as on March 31, 2024.

#### **Disclosure of Accounting Treatment**

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The previous year figures have been regrouped/reclassified or restated, so as to make the figures comparable with the figures of current year. The significant Accounting Policies which are consistently applied have been set out in the Notes to the Financial Statements.

#### **Cautionary Statement**

Certain statements under "Management Discussion & Analysis" may be forward looking statement within the meaning of applicable securities laws and regulations. The forward looking statements are based on certain assumptions and expectations of future events. Actual results may differ materially from those expressed or implied from the statement since the Company's operations are influenced by many external and internal factors beyond the control of the Company.

**For and on Behalf of the Board of Directors**

**Ahmedabad  
August 13, 2024**

**Bhagwandas K. Patel  
Managing Director  
DIN : 00045845**

**Dixitbhai B. Patel  
Director  
DIN : 00045883**

## CORPORATE GOVERNANCE REPORT

The Directors Report on Compliance of the Corporate Governance is given below :

### 1. Company's Philosophy on Code of Corporate Governance

The corporate governance philosophy of your Company is based on the tenets of integrity, accountability, transparency, value and ethics. The Company guiding principle is that the strong relationship between culture and strategy will consistently produce improved financial performance, better employee engagement, ethical behaviour and stakeholder satisfaction. The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Para C of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

### 2. Board of Directors

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations as well as the Companies Act, 2013 ("the Act"). The required details are given below :

Name	Category	No. of Board Meetings Held / Attended		Attendance at the last AGM	Directorships in other Indian Listed Public Companies* as at March 31, 2024	Other Mandatory Committee** membership as at	
		March 31, 2024				Chairman	Member
		Held	Attended				
Bhagwandas K. Patel DIN : 00045845	MD-Executive (Promoter)	6	6	Yes	NIL	NIL	NIL
Ramesh B. Patel DIN : 00037568	WTD-Executive (Promoter)	6	6	Yes	NIL	NIL	NIL
Dixit B. Patel DIN : 00045883	WTD-Executive (Promoter)	6	6	Yes	NIL	NIL	NIL
Jagdish S. Shah DIN : 00037826	Independent	6	5	Yes	NIL	NIL	NIL
Shankarlal B. Mundra DIN : 00388204	Independent	6	6	Yes	NIL	NIL	NIL
Rashmi K. Otavani DIN : 06976600	Independent	6	6	Yes	3	NIL	2

\* Excludes Directorships in private/Unlisted public / foreign companies and companies incorporated under Section 8 of the Companies Act, 2013.

\* Represents Membership/Chairmanship of the Audit Committee, Stakeholders Relationship Committee of other Companies.

# MD – Managing Director, WTD – Whole Time Director

Name	Name of the listed entities in which the concerned Director is a Director	Category of Directorship
Rashmi K. Otavani (Independent) DIN : 06976600	Aristo Bio-Tech and Lifescience Limited	Independent Director
	United Polyfab Gujarat Limited	Independent Director
	Yuranus Infrastructure Limited	Independent Director
	United Cotfab Limited got listed on 24.06.24	Independent Director

Minimum four Board meetings are held in each year. Apart from the four prescheduled Board meetings, the meetings are also convened by giving appropriate notice to address the specific needs of the Company.

During the Financial Year ended on March 31, 2024, 6 (Six) meetings of the Board of Directors were held on the following dates :-

21.04.23, 30.05.23, 14.08.23, 26.09.23, 10.11.23 and 14.02.2024.

The time gap between any two board meetings was not more than 120 days.

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

### Skills / Expertise / Competencies of the Board of Directors

The list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board.

1.	Business operation and management	2.	Global market awareness
3.	Government and Government/ industrial policy	4.	Indian Corporate Laws and Compliance
5.	Project Management	6.	Quality Management
7.	Board and Governance	8.	Strategic planning
9.	Finance, Accounting, Auditing	10.	Risk management
11.	Stakeholder Engagement	12.	Technical skills
13.	Research and Development	14.	Safety management
15.	Human Resources Management and Labour Relations / Labour Laws	16.	Market Awareness of the Product (Domestic as well as International)
17.	Business Ethics as well as Corporate Ethics		

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above.

Name of Board Members and Designation	Shri Bhagwandas K. Patel	Shri Ramesh B. Patel	Shri Dixit B. Patel	Shri Jagdish S. Shah	Shri Shankarlal B. Mundra	Ms. Rashmi K. Otavani
	MD	WTD	WTD	ID	ID	ID
Business operation and management	√	√	√	√	√	√
Global market awareness	√	√	√	√	√	√
Government and Government/ industrial policy	√	√	√	√	√	√
Indian Corporate Laws and Compliance	√	√	√	√	√	√
Project Management	√	√	√	-	-	-
Quality Management	√	√	√	-	-	-
Board and Governance	√	√	√	√	√	√
Strategic planning	√	√	√	-	-	-
Finance, Accounting, Auditing	√	√	√	√	√	-
Risk management	√	√	√	√	-	-
Stakeholder Engagement	√	-	-	-	√	√
Technical skills	√	√	√	-	-	-
Research and Development	√	√	√	-	-	-
Safety management	√	√	√	-	-	-
Human Resources Management and Labour Relations/ Labour Laws	√	√	√	-	-	-
Market Awareness of the Product (Domestic as well as International)	√	√	√	-	-	-
Business Ethics as well as Corporate Ethics	√	√	√	√	√	√

### 3. Audit Committee

The Audit Committee comprised of 3 (Three) members viz : Shri Jagdish S. Shah, Shri Shankarlal B. Mundra and Shri Bhagwandas K. Patel. Shri Jagdish S. Shah, chairs the meetings of the Committee. The terms of reference of the Audit Committee are as set out in Regulation 18 of the SEBI Listing Regulations, Section 177 of the Companies Act and with any other applicable laws.

#### Terms of reference of the Audit Committee

Terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the Regulation 18 of SEBI Listing Regulations as well as under Section 177 of the Companies Act, 2013.

During the financial year 2023-2024, the Committee met four times on 30.05.2023, 14.08.2023, 10.11.2023 and 14.02.2024. All the Committee members were present in all meetings.

Shri Jagdishbhai S. Shah, Chairman of Audit Committee, attended the last Annual General Meeting held on 12th September, 2023.

#### 4. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprised of 3 (Three) members viz : Shri Shankarlal B. Mundra, Ms. Rashmi K. Otavani and Shri Bhagwandas K. Patel. Shri Shankarlal B. Mundra, chairs the meetings of the Committee. The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

During the financial year 2023-2024, the Committee met Five times on 16.05.2023, 30.05.2023, 26.07.2023, 10.11.2023 and 14.02.2024 at registered office of the Company. All the Committee members attended all the meetings.

During the financial year, 1 (One) complaint was received. As of March 31, 2024, NIL complaints were pending.

Shri Shankarlal B. Mundra, Chairman of Stakeholders Relationship Committee, attended the last Annual General Meeting held on 12th September, 2023.

#### Name and Designation of the Compliance Officer :

Ms. Varsha Mehta, Company Secretary is designated as the "Compliance Officer" who oversees the redressal of the investors' grievances.

#### 5. Nomination and Remuneration Committee (NRC)

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

- a. 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;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- e. To recommend / review remuneration of the Managing Director(s) and Whole Time Director(s) based on their performance and defined assessment criteria.
- f. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- g. To perform such other functions as may be necessary or appropriate for the performance of its duties.
- h. To recommend / review remuneration of the Senior Management to the Board.

The Nomination and remuneration committee has 3 (Three) Independent Directors as members viz : Shri Shankarlal B. Mundra, Shri Jagdish S. Shah and Ms. Rashmi K. Otavani.

Two meetings were held during the year 2023-2024 on 26.07.2023 and 14.02.2024 and attended by all members. Shri Shankarlal B. Mundra chairs the meetings. The terms of reference of Nomination and Remuneration Committee include review, determination, increase /decrease and approval of remuneration, determination of terms of appointment, Company's policy for specific remuneration packages, etc. for the Executive Directors, Directors and other employees. The nomination and remuneration committee policy is available on our website at <https://www.dynemic.com/db/uploads/5m1654530111.pdf>

Shri Shankarlal B. Mundra, Chairman of Nomination and remuneration Committee, attended the last Annual General Meeting held on 12th September, 2023.

#### Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out an evaluation of its own performance and the Directors individually. A process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as guidance/ support to management outside Board/ Committee meetings, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process. The criteria for performance evaluation of Directors, Board etc cover the areas relevant to the functioning of Directors like strategy formulation, execution, financial planning, product knowledge and skill and personal attributes. The Board evaluation for financial year 2023-24 was completed and summary of findings and recommendations were discussed by the Directors.

#### REMUNERATION POLICY

The Company's philosophy for remuneration of Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under :



- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors to run the Company successfully;
- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

The Company does not have any Employee Stock Option Scheme.

Remuneration of Directors

- (i) Independent Directors ('ID') are paid sitting fees for attending the Meetings of the Board as recommended by the NRC and approved by the Board.
- (ii) Managing Director ('MD')/ Executive Directors ('ED')/ Key Managerial Personnel ('KMP')/ rest of the employees

The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence, remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the Sector / Industry / Company's Operations and the Company's capacity to pay, consistent with recognized best practices and aligned to regulatory requirements.

Basic/Fixed Salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits in accordance with terms of employment/contract. In addition to the Basic/ Fixed salary, benefits, perquisites and allowances as mentioned below, the Company provides to its MD, such remuneration by way of Commission calculated with reference to the net profits of the Company in the financial year, as may be determined by the Board, subject to the overall ceilings stipulated under Section 197 of the Act. The specific amount payable to the MD/ EDs would be based on performance as evaluated by the NRC and approved by the Board.

**Details of remuneration / sitting fees paid during the financial year 2023-2024 :**

- a) Independent Directors (Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of Independent Director			Total Amount
		Jagdish Shah	Shankarlal Mundra	Rashmi Otavani	
1	Sitting Fees	0.40	0.48	0.48	1.36
	<b>Total</b>	<b>0.40</b>	<b>0.48</b>	<b>0.48</b>	<b>1.36</b>

- b) Managing Director and Whole Time Director (Rs. In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Shri Bhagwandas K. Patel	Shri Rameshbhai B. Patel	Shri Dixitbhai B. Patel	
1	Gross Salary	78.90	75.60	72.30	226.80
2	Bonus	6.57	6.30	6.02	18.89
3	Leave Pay	13.90	3.63	9.96	27.50
4	Commission	0	0	0	0.00
	<b>Total</b>	<b>99.37</b>	<b>85.53</b>	<b>88.29</b>	<b>273.19</b>

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

There is no other pecuniary relationship or transaction by the Company with Independent Directors.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

The Company does not have any scheme for grant of stock option to its Directors or Employees.

**7. Corporate Social Responsibility Committee**

The composition of the CSR Committee is in alignment with provisions of Section 135 of the Companies Act, 2013.

During the year, the Committee comprising of Shri Bhagwandas K Patel as Chairman and Shri Jagdish Shah and Ms Rashmi K. Otavani as other members. The said committee has been entrusted with the responsibility of formulating and recommending to the Board a Corporate Social

Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and ruled made there under, and the amount to be spent on CSR activity. During the year the Committee met twice on 30.05.2023 and 14.02.2024 and all the members were present in all the meetings.

#### 8. Risk Management Committee:

SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2021 has amended the Regulation 21 of SEBI LODR Regulations making it compulsory to have Risk Management Committee for top 1000 listed companies.

Corporate Risk Evaluation and Management is an on going process within the Organisation. The Company has a welldefined Risk Management framework to identify, monitor and minimising/mitigating risks as also identifying business opportunities.

During the year, the Committee comprising of Shri Bhagwandas K Patel as Chairman and Shri Dixitbhai Patel and Shri Jagdishbhai Shah as other members. The brief terms of reference of the Committee is to formulate, monitor and review risk management policy and plan, inter alia, covering investment of surplus funds, management of foreign exchange risks, cyber security risks, data privacy risks and other risks associated to the Company.

During the year the Committee met twice on 05.07.2023 and 30.12.2023 and all the members were present in all the meetings.

For all the Committees of Board Ms. Varsha Mehta acts as Secretary to the meetings.

#### 9. Familiarisation programmes for Board Members

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meeting of the Independent Directors held during the year. The details of such familiarization programmes whenever held for Independent Directors are posted on the website of the Company. <https://www.dynemic.com/db/uploads/5m641115610.pdf>

#### 10. Meetings of Independent Directors

During the year under review, all the Independent Directors met on February 14, 2024, inter alia, to discuss :

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the M.D. of the Company, taking into account the views of the Executive and Independent Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

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

#### 11. General Body Meeting

##### a. Annual General Meetings

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

Year	Category – Date and Time	Venue	Special Resolutions passed
2022-23	Annual General Meeting 12th September, 2023 at 3.00 p.m.	Through Video Conferencing/other Audio-Visual Means ("OAVM").	Yes
2021-22	Annual General Meeting 29th September, 2022 at 4.00 p.m.	Through Video Conferencing/other Audio-Visual Means ("OAVM").	Yes
2020-21	Annual General Meeting 30th September, 2021 at 4.00 p.m.	Through Video Conferencing/other Audio-Visual Means ("OAVM").	No

During the year under review no resolution(s) were transacted through Postal Ballot.

#### 12. Disclosures :

- i. The Managing Director and the CFO of the Company have certified to the Board that the Financial Results of the Company for the year ended March 31, 2024 do not contain any false or misleading statements or figures and do not omit any material facts which may make the statements or figures contained therein misleading as required by Regulations 33 of SEBI Listing Regulations.
- ii. The company has complied with all the requirements of listing regulations and guidelines of SEBI and consequently no penalties were imposed or strictures passed against the Company by SEBI or any other Stock Exchanges or any other statutory authorities on any

matter relating to Capital markets during the last three years, except penalty of Rs.2000/- imposed by Stock Exchanges for violation of Regulation 34 of SEBI Listing Regulations as mentioned in the Directors Report for FY 2022-.23.

- iii. There were no materially significant transactions with promoters, directors or the management, their subsidiaries, associates or relatives that may have potential conflict with the interest of the Company at large. A disclosure of all related party transactions has been presented in the Note No. 38, Notes to the accounts of this Annual Report. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website [www.dynemic.com/shareholder-information.php](http://www.dynemic.com/shareholder-information.php)
- iv. The Company has adopted accounting treatments which are prescribed by the Indian Accounting Standards.
- v. The quarterly / half yearly financial statements are available on Company's, BSE's and NSE's website and being published in Financial Express and Indian Express.
- vi. The Company has a Vigil Mechanism and Whistle Blower Policy for Directors and Employees to report violations of applicable laws and regulations and the Code of Conduct. During the year under review, no employee was denied access to the Audit Committee Chairman.
- vii. The Company has complied with all the requirements of Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulations 46 and para C, D & E of Schedule V of the Listing Regulations.
- viii. The Company has no material subsidiary.
- ix. **Senior Management : Details of Senior Management are as follows :**

Sr. No.	Name of Senior Management Personnel	Designation	Changes, if any
1	Mukesh B. Patel	Manager Export	-
2	Hitendra N. Patel	General Manager	-
3	Ragesh Angreji	General Manager	Resigned wef 01.04.2024
4	Dinesh R. Patel	Production Manager	-
5	Suryakant V Dighe	Production Manager	-
6	Navinbhai N. Patel	Asst. Production Mgr	-
7	Mukeshbhai Somabhai Patel	Maintenance Incharge	-
8	Tanaviben V Khengar	QC Incharge	-
9	Pinky Mehta	Manager Logistics	-
10	Varsha Mehta	CS	-
11	Ankit Shah	CFO	-

x. **CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE**

*[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

**The Members of**

**Dynemic Products Limited**

Dynemic Products Ltd (CIN-L24100GJ1990PLC013886) is having it registered office at B-301, Satyamev Complex-1, Gandhinagar-Sarkhej Highway Road, Opp-New Gujarat High Court, Sola, Ahmedabad-380063 (hereinafter referred to as 'the Company'). The equity shares of the Company are listed on BSE Limited (Script Code 532707) and National Stock Exchange of India Limited (Symbol : Dynpro Series : EQ).

1. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the company, produced before us by the Company for the purpose of issuing this Certificate in accordance with sub-regulation (3) of Regulation 34 read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. As on 31st March, 2024 the Board of Directors of the Company comprised of :

Sr. No.	Name of Director	DIN	DIN Status	Date of Appointment
1.	Rameshkumar Bhagwandas Patel	00037568	Approved	14/06/1990
2.	Jagdish Sevantilal Shah*	00037826	Approved	07/06/2004
3.	Bhagawandas Kalidas Patel	00045845	Approved	14/06/1990
4.	Dixit Bhagwandas Patel	00045883	Approved	01/01/2008
5.	Shankarlal Baluram Mundra*	00388204	Approved	29/09/2005
6.	Rashmi Kamlesh Otavani	06976600	Approved	14/02/2015

\*Ceased to be an Independent Director w.e.f. 01.04.2024 on completion of second term.

3. In our opinion and to the best of our information and according to the verifications (including DIN based search on MCA Portal www.mca.gov.in) and examinations of the disclosures / registers under Section 184, 189, 170, 164, 149 of the Companies Act, 2013 ('the Act'), and explanations furnished to us by the company and its officers, we hereby certify as under :
- None of the above named directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs – MCA or any such statutory authority for the Financial Year ending 31st March, 2024.
4. It is the responsibility of the Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.
5. Ensuring the eligibility of the appointment / continuity of every director on the Board is the responsibility of the management of the company. Our responsibility is to express an opinion on these based on our verification.
6. This certificate is neither an assurance as the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.
7. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

**Place : Ahmedabad**  
**Date : 30th May, 2024**

**For, Ashok P. Pathak & Co.,**  
**Company Secretaries,**  
**ICSI Unique Code : S1997GJ020700**

**CS Ashok P. Pathak\***  
**Proprietor**  
**ACS No : 9939 | COP No : 2662**  
**Peer Review Certificate No. : 1519/2021**  
**ICSI UDIN : A009939F000502112**

- xi. Disclosure of commodity price risks and commodity hedging activities : Not applicable
- xii. There were no instances, wherein the Board had not accepted recommendations made by any committee of the Board.
- xiii. Payment to Statutory Auditors - During 2023-2024, Rs. 8.91 Lacs was paid by the Company and its subsidiary companies to the Statutory Auditors | entities in network firm / network entity of which the Statutory Auditor are a member.
- xiv. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2023-24
- a. Number of complaints filed during the year : 0
  - b. Number of complaints disposed off during the year : 0
  - c. Number of complaints pending as on end of the financial year : 0
- xv. No Loans / Advances in the nature of debt was given to firms / companies in which Directors are interested.
- xvi. There are no non-compliances of any requirements of Corporate Governance Report as per sub-para (2) to (10) of Schedule V Part C of the SEBI Listing Regulations.
- xvii. Compliance of discretionary requirements under Regulation 27 of SEBI Listing Regulations
- a. Shri B. K. Patel is the Managing Director of the Company. The Chairman is elected in every meeting of the Board.
  - b. As the financial results are published in the newspapers and also posted on Company's website, the same are not being sent to the shareholders.
  - c. The Company's financial statements for the financial year ended 31st March, 2024 do not contain any modified audit opinion.
  - d. The internal auditor makes quarterly presentation to the Audit Committee on their Reports.
- 13. Means of communication**
- i. The quarterly/half yearly financial statements are announced within 45 days of the end of the quarter and are regularly submitted / published to Stock Exchange in accordance with the SEBI (LODR) Regulations, 2015.  
The Company published its Notices / Financial Statements in Indian Express and The Financial Express.

- ii. The Company has its official website namely www.dynemic.com which is providing all the product related and general information about the Company. The Company is regular in submitting all the relevant information with BSE, NSE and updating in website as per Regulation 46 of the SEBI (LODR) Regulations, 2015.
- iii. Management Discussion and Analysis Report, in compliance with the requirements of Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, is annexed to the Boards' Report which forms part of the Annual Report being sent to all the members of the Company.
- iv. The Company has not issued any ADR/GDR.
- v. The Company is not engaged into any commodity price risk. During the financial year 2023-24, the Company has managed the foreign exchange risk by hedging to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in notes to Standalone Financial Statements.
- vi. Company has not got credit rating.
- vii. The Company do have Suspense Escrow Demat Account in compliance with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022.
- viii. During the year under review, none of the Independent Directors of the Company had resigned.
- ix. No presentations were made to any institutional investors or analysts during the financial year 2023-24.

#### 14. General Shareholders' Information :

**AGM date : September 28, 2024 at 3.00 p.m. thru VC/OAVM**

**Dividend payment date : N.A.**

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

**ii. Financial Calendar 2024-2025 :-**

**(tentative schedule)**

Financial year : April 1, 2024 to March 31, 2025.

Board meetings for approval of quarterly results

Quarter ended on June 30, 2024 : On or before August 14, 2024

Quarter ended on September 30, 2024 : On or before November 14, 2024

Quarter ended on December 31, 2024 : On or before February 14, 2025

Quarter ended on March 31, 2025 : On or before May 30, 2025 (Audited)

Annual General Meeting for the year 2024-25 : In accordance with Section 96 of Companies Act, 2013.

#### iii. Listing of equity shares on Stock Exchanges :-

The equity shares of the Company are listed at Bombay Stock Exchange Limited and National Stock Exchange Limited. The Company has paid the annual listing fees for the financial year 2024-25.

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400001

National Stock Exchange of India Ltd.,

Exchange Plaza, C-1, Block G,

Bandra Kurla Complex, Bandra (E)

Mumbai – 400 051

**iv. Stock code :- BSE : 532707 NSE : DYNPRO**

ISIN : INE256H01015

#### v. Dematerializational Information :-

As on March 31, 2024, 99.31 % of shares were held in dematerialized form and 0.69 % of shares were held in physical form.

#### vi. Share Transfer System :-

In terms of amended Regulation 40 of SEBI LODR Regulations w.e.f. April 1, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from January 24, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/consolidation of securities, transmission/transposition of securities. Vide its Circular dated January 25, 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

The Company has appointed Bigshare Services Pvt. Ltd. as the Registrar of the Company. For any assistance, request or instruction regarding transfer or transmission of shares, dematerialization of shares, change of address, non-receipt of annual report and any other query relating to the shares of the Company, please write to the following address :

Bigshare Services Private Limited

Office No S6-2, 6th floor Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093

Telephone: +91-22-62638200

E-mail : investor@bigshareonline.com

**vii. Share Market Price data :-**

The securities of the Company have been listed on BSE & NSE. The stock market price were as under :-

Month	BSE Sensex	Bombay Stock Exchange Limited		National Stock Exchange Limited	
		Monthly High	Monthly Low	Monthly High	Monthly Low
April'23	61,112.44	341.85	239.55	342.60	239.25
May'23	62,622.24	355.00	297.45	355.15	295.60
June'23	64,718.56	360.15	310.05	361.45	307.60
July'23	66,527.67	326.25	266.00	325.70	270.15
August'23	64,831.41	424.35	294.50	418.70	293.95
September'23	65,828.41	405.40	328.00	405.00	325.60
October'23	63,874.93	353.90	281.00	341.75	288.00
November'23	66,988.44	324.70	257.10	321.60	256.20
December'23	72,240.26	335.00	270.90	335.00	271.30
January'24	71,752.11	312.25	265.00	313.80	265.35
February'24	72,500.30	327.65	252.00	325.00	252.00
March'24	73,651.35	308.85	255.95	309.50	255.50

**viii. Distribution of Shareholding as on March 31, 2024 (in Shares)**

No. of Equity shares held	No. of share holders	% of shareholders	Shares	% of holding
1 – 500	13573	85.4239	1471873	12.2367
501 – 1000	1185	7.4580	912885	7.5894
1001 – 2000	593	3.7321	890701	7.4050
2001 – 3000	168	1.0573	422433	3.5120
3001 – 4000	85	0.5350	299170	2.4872
4001 – 5000	65	0.4091	302522	2.5151
5001 – 10000	101	0.6357	694429	5.7733
10001 & above	119	0.7489	7034374	58.4814
<b>TOTAL</b>			<b>12028387</b>	<b>100.0000</b>

Shareholding pattern of the Company as on March 31, 2024

Category	No. of Shares	% of Shares
<b>A Promoter's Holding</b>		
1 Indian Promoters	3539229	29.42
2 Foreign Promoters	----	----
<b>Sub Total</b>	<b>3539229</b>	<b>29.42</b>
<b>B Public Shareholding</b>		
1 Institutions		
Financial Institution/Banks	0	0
Foreign Portfolio Investors	8415	0.07
2 Central Govt/State Govt / President of India	0	0.00
3 Non-Institutions		
Private Corporate Bodies	907168	7.54
Indian Public	6907812	57.43
NRIs / OCBs	262852	2.19
Trust	3285	0.03
Clearing Members	42142	0.35
IEPF	22427	0.19
HUF	335057	2.79
<b>Sub Total</b>	<b>8489158</b>	<b>70.58</b>
<b>GRAND TOTAL</b>	<b>12028387</b>	<b>100.00</b>

ix. **Details of Shares held by Non –Executive / Independent Directors as on March 31, 2024**

Name of the Independent Director	Shares Held
Shri Jagdish S. Shah	Nil
Shri Shankarlal B. Mundra	600
Ms. Rashmi K. Otavani	Nil

xi. **The Company had transferred 3041 shares to IEPF during the year.**

Due Date for transfer of Unclaimed and Unpaid Dividend and shares in respect of which dividend is unpaid or has not been claimed by the shareholders for seven consecutive years or more to the IEPF in respect of dividend declared by the Company

Dividend for Financial Year	Dividend Declaration Date	Proposed due date for transfer of Unclaimed and Unpaid Dividend amount and shares to the IEPF	Year wise amount of unpaid/unclaimed dividend lying in the unpaid account as on 31/03/2024
2016-17	25.09.2017	31.10.2024	1,48,616.00
2017-18	21.09.2018	27.10.2025	143,124.50
2018-19	26.09.2019	01.11.2026	109,693.50
2019-20	14.02.2020	21.03.2027	106,420.50

x. **Plant Location**

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

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

Unit-3 : D/3/3/1, in Dahej-III Industrial Estate, Tal : Vagra, Dist : Bharuch, Gujarat

2. **Information pursuant to Regulation 53(f) of SEBI (LODR) Regulations, 2015 :-**

**Loans and Advances in the nature of loan to subsidiaries and associates :**

Name of the Company	Balance as at 31st March, 2024	Maximum outstanding during the year
	NIL	NIL

**xi. Investor Correspondence :-**

All enquiries, clarification and correspondence should be addressed to the Company Secretary and Compliance Officer at the registered office of the Company :-

**Ms. Varsha Mehta**

Dynemic Products Limited

B-301, Satyamev Complex-1, Opp. Gujarat High Court,

S.G. Road, Ahmedabad – 380060.

Tel. Nos. : 079-27663071, 9924011755

Email : cs@dynemic.com

**xii. Dividend Distribution Policy :-**

The Board of Directors adopted the Dividend Distribution Policy pursuant to the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), which requires the top 1,000 listed companies (by market capitalisation) to formulate the same. The Company's Dividend Distribution Policy may also be accessed at <http://www.dynemic.com/db/uploads/5m1256497733.pdf>

**xiii. Utilisation of funds raised through Preferential Issue of equity shares :-**

The funds raised by the Company through Preferential Issue, have been utilised towards Working Capital and General Corporate Purposes, as per resolution passed in the AGM dated 12th September, 2023 .

**For and on Behalf of the Board of Directors**

Ahmedabad  
August 13, 2024

**Bhagwandas K. Patel**  
Managing Director  
DIN : 00045845

**Dixitbhai B. Patel**  
Director  
DIN : 00045883



## CERTIFICATE ON CORPORATE GOVERNANCE

[Pursuant to Schedule V of SEBI (LODR) Regulations, 2015]

To,  
The Members,  
Dynemic Products Limited

We have examined the compliance of condition of corporate governance by Dynemic Products Limited (“the Company”) for the year ended 31st March, 2024, as stipulated under Regulations 17 to 27, and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

### Managements’ Responsibility

The compliance of condition of corporate governance is the responsibility of the management of the company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

### Auditors Responsibility

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

We have examined the relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the company.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated under Regulations 17 to 27, and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the SEBI Listing Regulations during the year ended on March 31, 2024.

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

August 13, 2024  
Ahmedabad

For, Ashok P. Pathak & Co.,  
Company Secretaries,  
ICSI Unique Code : S1997GJ020700

CS Ashok P. Pathak\*  
Proprietor  
ACS No : 9939 | COP No : 2662  
Peer Review Certificate No. : 1519/2021  
ICSI UDIN : A009939F000960922

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

## CONFIRMATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management of the Company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company as at March 31, 2024.

Ahmedabad  
August 13, 2024

For and on behalf of the Board of Directors

Sd/-  
Bhagwandas K. Patel  
Managing Director  
DIN : 00045845

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
**Dynemic Products Limited**

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION :

We have audited the accompanying standalone financial statements of Dynemic Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter collectively referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the net profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION:

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### KEY AUDIT MATTERS :

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements;

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

Key Audit Matter	How our audit addressed this matter: -
Company recognises revenue from sales of goods in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers, measured at the value of the consideration received or receivable in the ordinary course of its activities. Revenue from sale of goods is recognised net of discounts, rebates and taxes at the time of transfer of goods. Goods are considered transferred when the customer obtains 'control' of the promised goods. Control is the ability to direct the use of and obtain, substantially all the benefits from the goods. Our audit procedure with respect to above key audit matter included following;	<p>a) Reading and evaluation of the company's policies regarding revenue recognition and assessment of its compliance with the requirements of Ind AS 115 "Revenue from contracts with customers"</p> <p>b) Assessed the internal controls with respect to determination of timing of revenue recognition more specifically in case of export sales (wherein the control transfers to customer after significant time from supply of goods from factory).</p> <p>c) Duly verified the trail of documents with respect to export of the goods during cut-off date and ascertained that it was correctly recognized in compliance with transfer of control of goods as defined in Ind AS 115.</p>

**INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON :**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

**MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS :**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 (A). As required by Section 143(3) of the Act, based on our audit we report that;
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure- B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, as amended;  
  
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a) As informed to us, the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c) There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.
  - d) (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts –Note No.54 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts –Note No.55 to the standalone financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
  - e) No dividend has been declared or paid during the year by the Company.

- f) Based on our examination, which include test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the feature of recording audit trail (edit log) facility was enabled in a phased manner between November-2023 to December-2023 and thus the same has not been operated for the period throughout the year for all relevant transactions recorded in the software.

Further, for the period where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instances of the audit trail feature being tampered with.

**For, B. K. PATEL & CO**  
**Chartered Accountants**  
**Firm Regn No. 112647W**

**B. K. Patel**  
**Partner**  
**Membership No.032199**  
**UDIN:24032199BJZYQM1819**

Ahmedabad  
30-05-2024

**ANNEXURE 'A'**  
**TO THE INDEPENDENT AUDITOR'S REPORT**

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

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
  - b) According to the information and explanations given to us, the Company has a program of physical verification to cover all the items of Property, Plant and Equipment's in a phased manner. In our opinion, it is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) which are freehold are held in the name of the Company.
  - d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
  - e) As informed to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended) and rules made thereunder.
- ii. In respect of the Inventory:
- a) As explained by the management, physical verification of inventory has been conducted at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, no material discrepancies were noticed on such physical verification.
  - b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. 5.00 (five) Crores in aggregate from banks during the year on the basis of security of current assets of the Company. The company does not have such sanctioned working capital limits from any financial institution. Based on the records examined by us in the normal course of audit of the financial statements in the quarterly returns or statements filed by the company with such banks, the following is the difference between the quarterly statements given to the bank and the books of account of the Company.
- | Rs. in Crore                       |         |       |         |       |         |       |         |       |
|------------------------------------|---------|-------|---------|-------|---------|-------|---------|-------|
| Quarter ended                      | Jun-23  |       | Sep-23  |       | Dec-23  |       | Mar-24  |       |
| Particulars                        | Debtors | Stock | Debtors | Stock | Debtors | Stock | Debtors | Stock |
| As per the Statement given to Bank | 44.34   | 78.22 | 44.09   | 63.75 | 53.90   | 66.19 | 55.06   | 65.82 |
| As per Books of Accounts           | 46.87   | 78.22 | 44.22   | 63.61 | 56.72   | 66.36 | 55.06   | 65.82 |
| Difference                         | 2.53    | 0.00  | 0.13    | -0.14 | 2.82    | 0.17  | 0.00    | 0.00  |
- iii. (a) According the information and explanations given to us, during the year the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (b) Since the Company has not made any investments, has not provided any guarantees, has not given any security and has not given any loans and advances in the nature of loans secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and accordingly reporting under the Clauses 3(iii) (b), (c), (d), (e), and (f) are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of making investments in Subsidiary and Associate.
- v. In our opinion and according to the information and explanation given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2024 and accordingly reporting under the clause 3 (v) of the Order are not applicable to the Company.
- vi. According to the information and explanation given to us, the maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act 2013, and we have broadly reviewed the accounts and records maintained by the company as per-

scribed by the Government for the maintenance of the cost records under section 148 (1) of the Companies Act, and we are of the opinion that prima facie the prescribed accounts and records have been maintained. We have not however, made detailed examination of the records with a view to determine whether they are accurate and complete. The company has obtained the Cost Audit Report from the Cost Accountants.

vii. In respect of statutory dues:

- a) According to the information and explanation given to us and on the basis of our examination of books of accounts, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, and other material statutory dues as applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- b) Details of dues of Income Tax which have not been deposited as at March 31, 2024 on account of dispute are given below :

Name of Statute	Nature of Dues	Amount Rs. in lakhs	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	12.92	AY 2012-13	CIT (Appeals)- NFAC	-
Income Tax Act, 1961	Income Tax	35.13	AY 2017-18	CIT (Appeals)- NFAC	-

viii. As informed to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In respect of loans from banks and financial institutes:

- a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to financial institutions, banks, debenture holders or government, and accordingly reporting under clause 3 (ix) of the Order is not applicable to the Company.
- b) As informed to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) Term loan taken during the year have been applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis were used for long-term purposes by the Company, and accordingly reporting under clause 3(ix)(d) of the Order is not applicable.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, and accordingly reporting on clause 3(ix)(e) of the Order is not applicable.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary or associate company and accordingly reporting on clause 3(ix)(f) of the Order is not applicable.

x. In respect of money raised :

- a) In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, during the year the Company did not raise any money by way of initial public offer (including debt instruments) and further public offer during the year, and accordingly reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has made allotment of equity shares on preferential basis (Preferential Issue) for which the requirements of section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

During the year, the Company has allotted total 3,50,000 Equity Shares of face value Rs.10/- each for cash, at a total price of Rs.308.50 per equity share (including premium of Rs.298.50 per share), with share premium aggregating to Rs.1044.75 Lakhs on preferential basis and issued 4,00,000 Convertible warrants (fully convertible, partly paid up, against which the Company has received Rs.308.50 Lakhs (25% of aggregate amount of Warrants of Rs.1234.00 Lakhs) in September 2023 and Rs.269.94 Lakhs in March 2024 which are convertible into, on exchangeable for, 1 (one) fully paid-up equity share of the Company of face value of Rs. 10/- each on a preferential of basis of Rs.308.50, which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (Eighteen) months, for which the requirements of section 42 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised and unutilised amount has been temporarily invested in bank deposits.

xi. In respect of fraud:

- a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) According the information and explanation given to us, and to the best of our knowledge and belief, no material fraud on or by the Company was noticed or reported during the period, accordingly, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c) According the information and explanation given to us, and to the best of our knowledge and belief, no whistle-blower complaints is received during the year by the company.

- xii. In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in standalone financial statements as required by the applicable accounting standards.
- xiv. In respect of Internal Audit :
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. However scope and depth of it is required to be enlarged.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till the date of audit report.
- xv. In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them, and hence reporting under clause 3(xv) of the Order is not applicable.
- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and accordingly reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than on-going projects requiring a transfer to a Fund specified in Schedule -VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act, and accordingly reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) According to information and explanation given to us and based on our examination of the records of the Company there are no on-going projects and accordingly reporting under clause 3(xx)(b) of the Order is not applicable for the year.

**For, B. K. PATEL & CO**  
**Chartered Accountants**  
**Firm Regn No. 112647W**

**B. K. Patel**  
**Partner**

**Membership No.032199**  
**UDIN:24032199BJZYQM1819**

Ahmedabad  
30-05-2024



## ANNEXURE-“B”

### TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Dymemic Products Limited of even date)

#### REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of Dymemic Products Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

#### AUDITOR’S RESPONSIBILITY

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

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

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

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

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

#### OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, B. K. PATEL & CO  
Chartered Accountants  
Firm Regn No. 112647W

B. K. Patel  
Partner

Membership No.032199  
UDIN:24032199BJZYQM1819

Ahmedabad  
30-05-2024

## STANDALONE BALANCE SHEET AS AT 31st MARCH 2024

(Amount in Rs. in Lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Property, Plant & Equipments & Intangibile Assets			
Property, Plant & Equipments	4	24,430.14	25,898.49
Intangible assets	5	0.19	0.19
<b>Financial Assets:</b>			
Investments	6	131.22	131.22
Trade Receivables	7	-	-
Loans	10	1.81	0.16
Other Financial Assets	11	1,861.44	1,790.08
<b>Other Non Current Assets</b>	13	237.48	294.48
<b>TOTAL NON CURRENT ASSETS</b>		<b>26,662.28</b>	<b>28,114.62</b>
<b>CURRENT ASSETS:</b>			
Inventories	12	6,582.85	6,513.84
<b>Financial Assets:-</b>			
Investments			
Trade Receivables	7	5,506.49	5,072.48
Cash and cash equivalents	8	8.81	41.41
Other Bank Balances	9	162.90	126.10
Loans	10	1.46	0.72
Other Financial Assets	11	20.41	38.34
<b>Other Current Assets</b>	13	906.50	1,204.69
<b>TOTAL CURRENT ASSETS</b>		<b>13,189.43</b>	<b>12,997.59</b>
<b>TOTAL -ASSETS</b>		<b>39,851.71</b>	<b>41,112.21</b>
<b>EQUITIES AND LAIBILITIES:</b>			
<b>EQUITY</b>			
Equity Share Capital	14.1	1,202.84	1,168.63
Other Equity	14.2	18,954.22	16,970.14
<b>TOTAL EQUITY</b>		<b>20,157.06</b>	<b>18,138.77</b>
<b>LAIBILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	3,376.90	6,601.03
Trade Payables	16	-	-
Total outstanding dues of micro and small enterprise		122.22	289.58
Total outstanding dues of creditors other than micro and small enterprise		37.97	49.86
Provisions	18	0.43	0.17
Other Financial Liabilities	17	-	-
Deferred Tax Liabilities(Net)	21	1,038.03	1,153.83
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>4,575.56</b>	<b>8,094.48</b>
<b>CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	8,076.51	8,195.56
Trade Payables	16	-	-
Total outstanding dues of micro and small enterprise		2,122.09	2,570.30
Total outstanding dues of creditors other than micro and small enterprise		4,577.36	3,636.28
Other Financial Liabilities	17	96.80	7.77
Provisions	18	121.21	194.33
Current Tax Liabilities	19	-	-
Other Current Liabilities	20	125.12	274.72
<b>TOTAL CURRENT LIABILITIES</b>		<b>15,119.10</b>	<b>14,878.96</b>
<b>TOTAL LIABILITIES</b>		<b>19,694.66</b>	<b>22,973.44</b>
<b>TOTAL - EQUITIES AND LIABILITIES</b>		<b>39,851.71</b>	<b>41,112.21</b>

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THE STANDALONE BALANCE SHEET.

AS PER OUR REPORT OF EVEN DATE

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

**CA B. K. PATEL**  
 PARTNER  
 MEMBERSHIP NO.032199

PLACE : AHMEDABAD.  
 DATE : 30.05.2024

**FOR AND ON BEHALF OF**  
 DYNEMIC PRODUCTS LIMITED

**B. K. PATEL**  
 MANAGING DIRECTOR

**D. B. PATEL**  
 DIRECTOR

**R. B. PATEL**  
 DIRECTOR

**ANKIT SHAH**  
 CHIEF FINANCIAL OFFICER

PLACE : AHMEDABAD.  
 DATE : 30.05.2024

**VARSHA MEHTA**  
 COMPANY SECRETARY

## STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2024

(Amount in Rs. in Lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
Revenue from Operations	22	28,378.28	29,540.96
Other Income	23	64.03	34.34
<b>Total Income</b>		<b>28,442.32</b>	<b>29,575.30</b>
<b>EXPENSES :</b>			
Cost of Materials Consumed	24	13,537.90	16,122.01
Purchases of Stock-in-Trade	25	874.44	628.25
Changes in Inventories	26	(126.60)	(1,228.77)
Employee Benefits Expenses	27	1,988.18	1,929.25
Finance Costs	28	1,288.90	1,610.44
Depreciation & Amortisations	29	1,668.31	1,674.76
Other Expenses	30	8,909.41	9,233.53
<b>Total Expenses</b>		<b>28,140.55</b>	<b>29,969.47</b>
<b>Profit Before Exceptional items and Tax</b>		<b>301.77</b>	<b>(394.17)</b>
<b>Exceptional Items</b>		-	-
<b>Profit Before Tax</b>		<b>301.77</b>	<b>(394.17)</b>
<b>Tax Expense</b>	31		
Current Tax		-	-
Deferred Tax		(115.81)	(33.48)
Add/ (Less):- Taxation of earlier years (Refunds/Paid)		11.34	-
<b>Total Tax Expense</b>		<b>(104.47)</b>	<b>(33.48)</b>
<b>Net Profit for the Year</b>		<b>406.24</b>	<b>(360.69)</b>
<b>Other Comprehensive Income</b>			
Items that will not be Reclassified to Profit or Loss	36	22.10	(6.48)
Remeasurements on Post-employment Defined Benefit Plans			
Income Tax on Above	31	-	-
<b>Total Other Comprehensive Income, Net of Tax</b>		<b>22.10</b>	<b>(6.48)</b>
<b>Total Comprehensive Income for the Year</b>		<b>428.34</b>	<b>(367.17)</b>
<b>Earnings per Equity Share (Nominal Value Rs. 10/- per Share)</b>	<b>32</b>		
Basic		3.43	(3.14)
Diluted		3.40	(3.24)

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THE STANDALONE BALANCE SHEET.

AS PER OUR REPORT OF EVEN DATE

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

**CA B. K. PATEL**  
PARTNER  
MEMBERSHIP NO.032199

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**FOR AND ON BEHALF OF**  
DYNEMIC PRODUCTS LIMITED

**B. K. PATEL**  
MANAGING DIRECTOR

**D. B. PATEL**  
DIRECTOR

**R. B. PATEL**  
DIRECTOR

**ANKIT SHAH**  
CHIEF FINANCIAL OFFICER

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**VARSHA MEHTA**  
COMPANY SECRETARY

## STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2024

### A. Equity Share Capital

(Amount in Rs. in Lakhs)

Particulars	No. of Shares	Amount
<b>Balance as at 1st April 2022</b>	<b>11,328,449</b>	<b>1,132.84</b>
<b>Changes in equity share capital during the year</b>		
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
<b>Balance as at 31st March 2023</b>	<b>11,694,113</b>	<b>1,168.63</b>
<b>Changes in equity share capital during the year</b>		
350000 Equity share fully paid up of Rs.10 each	350,000	35.00
15726 Forfeited equity share partly paid up of Rs.5 each	(15,726)	(0.79)
<b>Balance as at 31st March 2024</b>	<b>12,028,387</b>	<b>1,202.84</b>

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

Particulars	Securities Premium	General Reserve	Retained Earnings	Capital Reserve	Warrants	Total
<b>As at 1st April, 2022</b>	1,036.80	502.18	14,291.69	-	-	15,830.67
<b>Changes in accounting policy/prior period errors</b>	-	-	-	-	-	-
Add: Addition during the year (Net)	1,506.64	-	(360.69)	-	-	1,145.95
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans	-	-	(6.48)	-	-	(6.48)
Total Comprehensive Income for the Year	2,543.44	502.18	13,924.52	-	-	16,970.14
<b>Dividends</b>	-	-	-	-	-	-
<b>As at 31st March, 2023</b>	<b>2,543.44</b>	<b>502.18</b>	<b>13,924.52</b>	<b>-</b>	<b>-</b>	<b>16,970.14</b>
<b>Changes in accounting policy/prior period errors</b>	-	-	-	-	-	-
Add: Addition during the year (Net)	959.60	-	406.24	17.69	578.44	1,961.97
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans	-	-	22.10	-	-	22.10
Total Comprehensive Income for the Year	3,503.05	502.18	14,352.86	17.69	578.44	18,954.22
<b>Dividends</b>	-	-	-	-	-	-
<b>As at 31st March, 2024</b>	<b>3,503.05</b>	<b>502.18</b>	<b>14,352.86</b>	<b>17.69</b>	<b>578.44</b>	<b>18,954.22</b>

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THE STANDALONE BALANCE SHEET.

AS PER OUR REPORT OF EVEN DATE

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

**CA B. K. PATEL**  
PARTNER  
MEMBERSHIP NO.032199

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**FOR AND ON BEHALF OF**  
DYNEMIC PRODUCTS LIMITED

**B. K. PATEL**  
MANAGING DIRECTOR

**D. B. PATEL**  
DIRECTOR

**R. B. PATEL**  
DIRECTOR

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**ANKIT SHAH**  
CHIEF FINANCIAL OFFICER

**VARSHA MEHTA**  
COMPANY SECRETARY

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2024

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>A. Cash Flows from Operating Activities</b>		
Profit before Tax	301.77	(394.17)
Adjustments for:		
Depreciation and Amortisation Expense	1,668.31	1,674.76
Finance Costs	1,288.90	1,610.44
Bad Debts/Advances/ Creditors Written Off	-	2.20
Interest Income Classified as Investing Cash Flows	(18.69)	(16.03)
Net Gain on Investments Carried at Fair Value through Profit or Loss (Gain)/Loss on Disposal of Property, Plant and Equipment (Net)	2.37	(0.10)
Foreign Exchange Differences (Net)	(22.47)	(260.83)
<b>Operating Profit before Changes in Operating assets and Liabilities</b>	<b>3,220.19</b>	<b>2,616.26</b>
<b>Changes in Operating Assets and Liabilities</b>		
Increase/(Decrease) in Trade Payables	325.51	1,032.74
Increase/(Decrease) in Other Financial Liabilities	(1.01)	0.29
Increase/(Decrease) in Provisions	(73.12)	8.00
Increase/(Decrease) in Other Current Liabilities	(127.49)	214.23
(Increase)/Decrease in Inventories	(69.00)	(1,308.83)
(Increase)/Decrease in Trade Receivables	(434.01)	(370.27)
(Increase)/Decrease in Loans	(2.39)	2.49
(Increase)/Decrease in Other Financial Assets	(54.50)	(214.81)
(Increase)/Decrease in Other Non-current Assets	56.99	37.28
(Increase)/Decrease in Other Current Assets	299.29	455.51
<b>Cash Generated from Operations</b>	<b>(79.73)</b>	<b>(143.37)</b>
Income Taxes Paid	(9.31)	(8.20)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3,131.15</b>	<b>2,464.69</b>
<b>B. Cash Flows from Investing Activities</b>		
Payments for Acquisition of Property, Plant, Equipment	(280.20)	(92.93)
Proceeds on Investment	45.74	0.00
Proceeds on Disposal of Property, Plant and Equipment	3.48	0.10
Proceeds as Capital subsidy on Fixed Assets	68.20	0.00
Interest Received	18.69	16.03
Proceeds from Maturity of Deposits with Banks	-	13.49
Payments for Placing of Deposits with Banks	-	(20.01)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(144.09)</b>	<b>(83.32)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Finance Costs Paid	(1,288.90)	(1,610.44)
Proceeds from Right issue (Net)	0.00	1,542.42
Proceeds from Preferential equity shares (Net)	1,011.51	0.00
Proceeds from Warrants (Net)	578.44	0.00
Proceeds from Long-term Borrowings	(3,200.67)	(2,260.88)
Short-term Borrowings - Receipts/(Payments)	(142.52)	(293.03)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(3,042.14)</b>	<b>(2,621.93)</b>
<b>D. Exchange Differences on Translation of Foreign Currency Cash and Cash Equivalents</b>		
	22.47	260.83
<b>Net Cash (Outflow)/ Inflow</b>	<b>(32.60)</b>	<b>20.28</b>
Cash and Cash Equivalents - Opening (Refer Note 8)	41.41	21.14
Cash and Cash Equivalents - Closing (Refer Note 8)	8.81	41.41

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

2) Changes in liabilities arising from financing activities				(Amount in Rs. in Lakhs)
Particulars	4/1/2023	Cash Inflow	Other Adjustments	3/31/2024
Long-Term Borrowings (Including Current Maturities of Long Term Debt)	9,848.31	(3,200.67)	-	6,647.64
Short-Term Borrowings	4,948.29	(432.52)	-	4,515.77
<b>Total Borrowings</b>	<b>14,796.60</b>	<b>(3,633.19)</b>	<b>-</b>	<b>11,163.41</b>
Finance Costs paid		(1,288.90)		(1,288.90)

  

Particulars	4/1/2022	Cash Inflow	Other Adjustments	3/31/2023
Long-Term Borrowings (Including Current Maturities of Long Term Debt)	12,109.19	(2,260.88)	-	9,848.31
Short-Term Borrowings	5,263.82	(315.53)	-	4,948.29
<b>Total Borrowings</b>	<b>17,373.01</b>	<b>(2,576.41)</b>	<b>-</b>	<b>14,796.60</b>
Finance Costs paid		(1,610.44)		(1,610.44)

THE ACCOMPANYING NOTES FORM AN INTEGRAL PART OF THE STANDALONE BALANCE SHEET.

AS PER OUR REPORT OF EVEN DATE

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

**CA B. K. PATEL**  
PARTNER  
MEMBERSHIP NO.032199

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**FOR AND ON BEHALF OF**  
DYNEMIC PRODUCTS LIMITED

**B. K. PATEL**  
MANAGING DIRECTOR

**R. B. PATEL**  
DIRECTOR  
PLACE : AHMEDABAD.  
DATE : 30.05.2024

**D. B. PATEL**  
DIRECTOR

**ANKIT SHAH**  
CHIEF FINANCIAL OFFICER  
**VARSHA MEHTA**  
COMPANY SECRETARY

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### 1. Company Background

Dynemic Products Limited (the 'Company') is a public limited company, incorporated with its CIN: L24100GJ1990PLC013886 and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange of India Limited and the BSE Limited in India. The registered office of the Company is located at B-301, Satyamev Complex-1, Gandhinagar-Sarkhej Highway Road, Opp. New Gujarat High Court, Sola, Ahmedabad-380 063, Gujarat, India. The Company is mainly engaged in the business of manufacturing and selling of Dyes & Dye Intermediates as single operational segment. The standalone financial statements were approved and authorized for issue in accordance with the resolution passed in the meeting of Board of Directors of the Company held on 30th May, 2024.

### 2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the standalone financial statements. These policies have been consistently applied to all through the year presented, unless otherwise stated. These standalone financial statements are the separate financial statements of the Company.

#### A) Basis of Preparation

##### (i) Compliance with Ind AS

The standalone financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other provisions of the Act.

##### (ii) Basis of Measurement

The standalone financial statements have been prepared on accrual basis and under historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.
- All amounts disclosed in the standalone financial statements and notes have been present in INR and have been rounded off to the nearest Rupee in Lakhs as per the requirement of Schedule-III, unless otherwise stated.

##### (iii) Current versus Non-Current Classification

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

An asset is classified as current when it is:

- a) expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realized within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) there is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

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

##### (iv) Significant accounting estimates, assumptions and judgements

The preparation of standalone Financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

of contingent assets and liabilities at the date of these standalone Financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

### Estimates and assumptions

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

### The areas involving critical estimates or judgments are:

#### Employee Benefits (Estimation of Defined Benefit Obligation)

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Company to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

#### Estimation of Expected Useful Life of Property, Plant and Equipment

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

#### Contingencies

Legal proceedings covering a range of matters are pending against the Company. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Company often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/ claim, the jurisdiction and the differences in applicable law. The Company consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

#### Valuation of Deferred Tax assets

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

## B) Summary of Significant accounting policies

### 1. Revenue Recognition

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

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of Products:- Revenue from sale of products is recognized when the significant risks and rewards of ownership of the products have passed to the buyer as per the terms of contract. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

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

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

### **Other Operating Revenues**

Export entitlements under various schemes notified by government are recognized when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Company and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

### **Rent income**

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

### **Interest Income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### **Dividend**

Dividend is recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

## **2. Property, Plant and Equipment:**

Freehold/ GIDC Lease hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### ***Depreciation Method, Estimated Useful Lives and Residual Values***

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

Estimated useful lives of the assets are taken as per Schedule II of the Companies Act 2013, which is broadly defined as under:-

Buildings - 3 to 60 years

Plant and equipment - 5 to 40 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipment - 3 to 6 years

Leasehold land is from GIDC and has not been amortized, as the lease cost has been fully paid. The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets.

### **a. Intangible Assets**

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



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**Notes to Standalone Financial Statements for the year ended 31st March, 2024***Computer Software*

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

*Amortization Method and Period*

Computer software are amortized on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortization method and useful lives are reviewed periodically at each financial year end.

**b. Impairment of Non-Financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognized for an asset in prior accounting period is reversed for the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).

**c. Leases**

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

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

This is not applicable to GIDC Lease, as there is no periodic payments are made for uses of leased asset, which is GIDC Land. Land (Leasehold) is carried at cost less amortization; Leasehold land is amortized on the straight line method over the period of lease.

**d. Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on approximation average basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**e. Investments in Subsidiaries**

Investments in subsidiaries are carried at cost less provision for impairment, if any. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of investments exceeds its recoverable amount.

**f. Investments (Other than Investments in Subsidiaries) and Other Financial Assets****(i) Classification**

The Company classifies its financial assets in the following measurement categories:-

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. Though the Company do not have any debt instruments, but for investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### (ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

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

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

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

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

#### *Debt Instruments*

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

#### **1. Amortized Costs**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired.

#### **2. Fair Value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in 'Other Income'.

#### **3. Fair value through Profit & Loss A/c**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises.

#### *Equity Instruments*

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognized in 'Other Income' in the Statement of Profit and Loss.

### (iii)

#### **a) Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note given herein after details how the Company determines whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

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

The Company assesses at each date of balance sheet whether a financial asset or a group of Financial Assets is impaired.

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### (iv) De-recognition of Financial Assets

A financial asset is de-recognized only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

### (v) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

#### g. Derivative Instruments-

Company has no Derivative Instruments during the year.

#### h. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention of the management to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### i. Trade Receivables

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

#### j. Cash and Cash Equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with Banks and financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### k. Trade Payables

Trade Payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### l. Borrowings

Borrowings are recognized at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

### **m. Financial Guarantee Contracts**

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortization, where appropriate.

### **n. Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are expensed in the period in which they are incurred.

### **o. Foreign Currency Transactions and Translation**

#### **(i) Functional and Presentation Currency**

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee in Lakhs (Rs. in Lakhs), which is the Company's functional and presentation currency.

#### **(ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognized in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### **p. Employee benefits**

#### **(i) Short Term Employee Benefits**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

#### **(ii) Post-Employment Benefits**

##### **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

##### *Defined Contribution Plans*

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

#### **(iii) Other Long term Employee Benefits**

The liabilities for leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

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

### q. Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences, tax credits and losses.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

### r. Provisions and Contingencies

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

### s. Dividend

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

### t. Earnings per Share

#### (i) Basic Earnings per Share

Basic earnings per share is calculated by dividing: -

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

#### (ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:-

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**Notes to Standalone Financial Statements for the year ended 31st March, 2024**

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**u. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Company. Presently Company has been working in single segment- Dyes & Dyes Intermediates.

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### 4 Property, Plant and Equipment

4.1 Reconciliation of Gross and Net Carrying Amount of Each Class of Assets		(Amount in Rs. in Lakhs)						
Particulars	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Other Assets	Total
<b>Year ended 31st March, 2023</b>								
Gross Carrying Amount								
Opening Balance	1,338.98	10,523.72	19,206.70	191.86	118.13	74.43	-	31,453.83
Additions	1.94	36.24	372.51	6.13	-	4.42	-	421.23
Disposals	-	-	7.36	-	-	0.53	-	7.89
<b>Closing Balance</b>	<b>1,340.92</b>	<b>10,559.96</b>	<b>19,571.85</b>	<b>197.99</b>	<b>118.13</b>	<b>78.32</b>	<b>-</b>	<b>31,867.17</b>
<b>Accumulated Depreciation</b>								
Opening Balance	-	867.23	3,232.78	88.01	65.63	41.93	-	4,295.58
For the Year	-	339.78	1,298.68	11.80	12.13	12.36	-	1,674.76
On Disposals	-	-	1.14	-	-	0.52	-	1.66
<b>Closing Balance</b>	<b>-</b>	<b>1,207.01</b>	<b>4,530.32</b>	<b>99.81</b>	<b>77.76</b>	<b>53.77</b>	<b>-</b>	<b>5,968.68</b>
<b>Net Carrying Amount</b>	<b>1,340.92</b>	<b>9,352.95</b>	<b>15,041.53</b>	<b>98.17</b>	<b>40.37</b>	<b>24.56</b>	<b>-</b>	<b>25,898.49</b>
<b>Year ended 31st March, 2024</b>								
Gross Carrying Amount								
Opening Balance	1,340.92	10,559.96	19,571.85	197.99	118.13	78.32	-	31,867.17
Additions		9.42	240.26	0.44	12.56	3.57		266.25
Disposals		14.00	69.17	-	-	-		83.17
<b>Closing Balance</b>	<b>1,340.92</b>	<b>10,555.38</b>	<b>19,742.94</b>	<b>198.43</b>	<b>130.69</b>	<b>81.89</b>	<b>-</b>	<b>32,050.24</b>
<b>Accumulated Depreciation</b>								
Opening Balance	-	1,207.01	4,530.32	99.81	77.76	53.77	-	5,968.68
For the Year		341.39	1,282.84	11.91	12.49	11.93	-	1,660.56
On Disposals		0.43	8.70	-	-	-		9.13
<b>Closing Balance</b>	<b>-</b>	<b>1,547.97</b>	<b>5,804.46</b>	<b>111.72</b>	<b>90.26</b>	<b>65.70</b>	<b>-</b>	<b>7,620.11</b>
<b>Net Carrying Amount</b>	<b>1,340.92</b>	<b>9,007.41</b>	<b>13,938.47</b>	<b>86.71</b>	<b>40.43</b>	<b>16.20</b>	<b>-</b>	<b>24,430.14</b>

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### 4.2 Title deeds of Immovable Properties not held in name of the Company

(Amount in Rs. in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE			NIL			

- 4.3 The Company has taken borrowings from banks which carry charge over certain property, plant and equipment ( Refer Note 42 for details).
- 4.4 Contractual obligations - Refer Note 35(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.5 Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).
- 4.6 Title deeds of immovable properties set out in Note 4.1 above, where applicable, are in the name of the Company.
- 4.7 Lease period of land at GIDC is 95 years. On expiry of the said lease term of 5 years, the Company has an option to renew the lease for a further period of 5 years which compnay is certain to exerise the option.
- 4.8 There is no Capital work in progress in current year as well as in previous year.

### 5 Intangible Assets

Particulars	Amount
<b>Year ended 31st March, 2023</b>	
<b>Gross Carrying Amount</b>	
Opening Balance	26.47
Additions	-
Disposals	-
<b>Closing Balance</b>	<b>26.47</b>
Accumulated Depreciation	
Opening Balance	26.28
For the Year	-
On Disposals	-
<b>Closing Balance</b>	<b>26.28</b>
<b>Net Carrying Amount</b>	<b>0.19</b>
<b>Year ended 31st March, 2024</b>	
<b>Gross Carrying Amount</b>	
Opening Balance	26.47
Additions	-
Disposals	-
<b>Closing Balance</b>	<b>26.47</b>
Accumulated Depreciation	
Opening Balance	26.28
For the Year	-
On Disposals	-
<b>Closing Balance</b>	<b>26.28</b>
<b>Net Carrying Amount</b>	<b>0.19</b>

- 5.1 The amortisation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).



**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**6 Investments**
**(Amount in Rs. in Lakhs)**

Particulars	Face Value	Number	As at 31st March, 2024	As at 31st March, 2023
<b>Unquoted:</b>				
<b>Non-current Investments</b>				
<b>Investments in Equity Instruments (At amortised cost)</b>				
<b>In Subsidiary Companies</b>				
*Cerecon Bio Sciences Private Limited ( Formerly known as Dynamic Overseas (India) Pvt Ltd)	100	20600	20.60	20.60
<b>In Other Associates Body Corporates</b>				
*Dyemic Holdings Pvt.Ltd.	10	1010000	101.00	101.00
<b>In Other Body Corporates</b>				
* Enviro Technology Ltd. Shares	10	15000	1.50	1.50
* Bharuch Enviro Infrastructure Ltd.	10	1750	0.18	0.18
* Bharuch Eco-Aqua Infra.Ltd	10	78450	7.85	7.85
* Ank.Res. &.Analy.Inf.Ltd.	10	1000	0.10	0.10
<b>TOTAL</b>			<b>131.22</b>	<b>131.22</b>
<b>Current Investments</b>			-	-
<b>TOTAL</b>			<b>131.22</b>	<b>131.22</b>

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

6.2 Aggregate amount of Investments

Particulars	As at 31st March, 2024	As at 31st March, 2023
Aggregate amount of Unquoted Investments	131.22	131.22
Aggregate amount of Quoted Investments	-	-
<b>Total Investments</b>	<b>131.22</b>	<b>131.22</b>

7 Trade Receivables

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Current</b>		
Unsecured Considered Good		
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	5,506.49	5,072.48
(c) Trade Receivables which have significant increase in Credit Risk	-	-
d) Trade Receivables - credit impaired	-	-
Less: Allowance for Expected Credit Losses	-	-
<b>TOTAL</b>	<b>5,506.49</b>	<b>5,072.48</b>

7.1 Refer Note 42 for receivables secured against borrowings and Note 40 for information about credit risk and market risk on receivables.

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**

7.2 Trade Receivables ageing schedule (the previous year figures are in brackets)

(Amount in Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5,438.47	62.44	5.59	-	-	5,506.49
	(5,058.40)	(14.07)	-	-	-	(5,072.48)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Total</b>	<b>5,438.47</b>	<b>62.44</b>	<b>5.59</b>	<b>-</b>	<b>-</b>	<b>5,506.49</b>
	<b>(5,058.40)</b>	<b>(14.07)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,072.48)</b>

# similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately”;

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Dues with Due Dates of Payments as per above table 7.2	5,506.49	5,072.48
Outstanding Debtors where still the payment has not become Due	-	-
Outstanding Debtors still unbilled	-	-
<b>Total Trade Receivables as shown in above Note 7</b>	<b>5,506.49</b>	<b>5,072.48</b>

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

**8 Cash and Cash Equivalents**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks		
In Current Accounts	7.26	18.33
In Fixed Deposits	-	20.33
Cash on Hand	1.55	2.75
<b>TOTAL</b>	<b>8.81</b>	<b>41.41</b>

8.1 There are no repatriation restrictions with regard to Cash and Cash Equivalents as at the end of the current reporting period and prior periods.

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

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**9 Other Bank Balances**
**(Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Earmarked balances with banks		
- Unpaid Dividend Accounts	5.07	6.50
- Fixed Deposit held for guarantees (with original maturity of more than three months but less than twelve months) (Lodged with Government Authority/Others)	157.83	119.60
Accrued Interest on Fixed Deposits	-	-
<b>TOTAL</b>	<b>162.90</b>	<b>126.10</b>

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

**10 Loans**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Loans to Employees		
(a) Loans Receivables considered good - Unsecured;	1.81	0.16
<b>TOTAL</b>	<b>1.81</b>	<b>0.16</b>
<b>Current (At Amortised Cost)</b>		
Loans to Employees		
(a) Loans Receivables considered good - Unsecured;	1.46	0.72
<b>TOTAL</b>	<b>1.46</b>	<b>0.72</b>

**11 Other Financial Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Unsecured, Considered Good :		
Security Deposits	1,726.57	1,654.13
Fixed Deposits with Banks** (with Maturity of more than Twelve Months) (Lodged with Government Authority/Others)	134.88	135.94
Accrued Interest on Fixed Deposits**	-	-
<b>TOTAL</b>	<b>1,861.44</b>	<b>1,790.08</b>
<b>Current (At Amortised Cost)</b>		
Unsecured, Considered Good :		
Security Deposits	-	25.49
Interest Accrued on Electricity Deposits	20.41	12.85
<b>TOTAL</b>	<b>20.41</b>	<b>38.34</b>
**Financial Assets carried at Amortised Cost		

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

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

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**12 Inventories**
**(Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
-Valued at Lower of Cost and Net Realisable Value		
Raw Materials	1,189.81	1,314.91
Packing Material	36.18	25.84
ETP stock	9.97	7.88
Fuel- Non Coking stock	186.50	131.43
Trading Materials	2.81	21.34
Work in progress	898.42	862.06
Finished Goods	4,210.96	4,141.44
Finished Goods (Captive)	48.18	8.94
<b>TOTAL</b>	<b>6,582.85</b>	<b>6,513.84</b>

12.1 Refer Note 42 for Information on Inventories Pledged as Security.

**13 Other Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Unsecured, Considered Good :		
Capital Advances	168.89	214.63
Balances with Government Authorities @	3.80	3.80
Prepaid/Advance for Expenses	1.99	1.99
Advance to Suppliers/Service Providers (other than capital)	-	-
IT Refund Receivables ( AY 12-13, 13-14 & 20-21)	62.80	74.06
<b>TOTAL</b>	<b>237.48</b>	<b>294.48</b>
Current		
Unsecured, Considered Good :		
Export Entitlements Receivable	91.09	113.73
Balances with Government Authorities @	545.45	624.49
Advance to Suppliers/Service Providers (other than capital)	19.11	13.66
Capital Advances	10.42	11.46
Prepaid/Advance for Expenses	231.13	112.07
IT Refund Receivables ( AY 21-22)	-	321.08
Advance Income Tax Paid ( Included TDS & TCS)	9.31	8.20
<b>TOTAL</b>	<b>906.50</b>	<b>1,204.69</b>

@ Balances with Government Authorities primarily include amounts realisable from the GST and customs authorities of India and the unutilised GST input credits on purchases. These are generally realised within one year or regularly utilised to offset the GST liability on goods manufactured by the Company.

Notes to Standalone Financial Statements for the year ended 31st March, 2024

14.1 Equity Share Capital

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised Share Capital 13,000,000 (Previous Year- 1,30,00,000 ) Equity Share of Rs. 10/- each	1,300.00	1,300.00
<b>Issued and Subscribed share capital</b> 12,028,387 (Previous Year- 1,16,94,113) Equity Share of Rs. 10/- each @	1,203.63	1,169.41
<b>Subscribed and Partly paid up</b> 12,028,387 (Equity Shares of Rs. 10/- each fully paid up) @ - (Equity Shares of Rs. 5/- party paid up) @	1,202.84 -	1,167.84 0.79
<b>TOTAL</b>	<b>1,202.84</b>	<b>1,168.63</b>

@ Issued and subscribed capital has been increased by 3,50,000 equity shares as Preferential issue given at Rs.308.50/- per equity shares (Rs.10/- Face value and Rs.298.50/- share premium amount).

@ Issued and subscribed capital has been decreased by 15726 equity shares as shares forfeited during the year.

(a) The Company has one class of Equity Shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Balance as at 1st April 2022</b>	11,328,449	1,132.84
<b>Changes in equity share capital during the year</b>		
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
<b>Balance as at 31st March 2023</b>	11,694,113	1,168.63
<b>Changes in equity share capital during the year</b>		
350000 Equity share fully paid up of Rs.10 each	350,000	35.00
15726 Forfeited equity share partly paid up of Rs.5 each	(15,726)	(0.79)
<b>Balance as at 31st March 2024</b>	<b>12,028,387</b>	<b>1,202.84</b>

(c) Details of Shareholder holding more than 5% Equity Shares of the Company

Name of the Shareholders	As at 31st March 2024		As at 31st March 2023	
	Nos of Shares	% of Total Shares	Nos of Shares	% of Total Shares
Bhagwandas Kalidas Patel	1,267,541	10.54%	1,267,541	10.84%
Rameshkumar Bhagwandas Patel	713,993	5.94%	713,993	6.11%
<b>Total</b>	<b>1,981,534</b>	<b>16.47%</b>	<b>1,981,534</b>	<b>16.94%</b>

Notes to Standalone Financial Statements for the year ended 31st March, 2024

(d) Details of shares held by the promoter at the end of the year:

Shares held by promoters at the end of the year	As at 31st March 2024			As at 31st March 2023		
	Nos of Shares	% of Total Shares	% Change During the Year	Nos of Shares	% of Total Shares	% Change During the Year
Bhagwandas K Patel - HUF	71,925	0.60%	0.00%	71,925	0.62%	5.00%
Bhagwandas Kalidas Patel	1,267,541	10.54%	0.00%	1,267,541	10.84%	5.00%
Jayantilal K Patel	43,802	0.36%	0.00%	43,802	0.37%	196.00%
Rameshkumar Bhagwandas Patel	713,993	5.94%	0.00%	713,993	6.11%	5.00%
Kirtikumar Bhagwandas Patel	121,758	1.01%	0.00%	121,758	1.04%	5.00%
Vimalaben Bhagawandas Patel	337,497	2.81%	0.00%	337,497	2.89%	6.00%
Mukeshbhai B Patel	120,310	1.00%	0.00%	120,310	1.03%	5.00%
Vishnubhai Bhagwanbhai Patel	89,671	0.75%	0.00%	89,671	0.77%	5.00%
Dixit Bhagwandas Patel	185,502	1.54%	0.00%	185,502	1.59%	10.00%
Dalchhiben Bhagwanbhai Patel	43,155	0.36%	0.00%	43,155	0.37%	5.00%
Kaminiben Vishnubhai Patel	51,528	0.43%	0.00%	51,528	0.44%	5.00%
Chetnaben M Patel	138,600	1.15%	0.00%	138,600	1.19%	5.00%
Mittal Dixit Patel	33,600	0.28%	0.00%	33,600	0.29%	5.00%
Kantilal Kalidas Patel	55,150	0.46%	0.00%	55,150	0.47%	0.00%
Hansaben Rameshbhai Patel	31,021	0.26%	0.00%	31,021	0.27%	5.00%
Bhagvatiben Kirtibhai Patel	45,638	0.38%	0.00%	45,638	0.39%	5.00%
Sachin R Patel	20,038	0.17%	0.00%	20,038	0.17%	5.00%
Dixit Bhagwandas Patel Huf	12,180	0.10%	0.00%	12,180	0.10%	5.00%
Dynemic Holdings Private Limited	156,320	1.30%	0.00%	156,320	1.34%	0.00%
<b>Total</b>	<b>3,539,229</b>	<b>29.42%</b>		<b>3,539,229</b>	<b>30.27%</b>	

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

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

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

Notes to Standalone Financial Statements for the year ended 31st March, 2024

14.2 Other Equity

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Securities Premium Account</b>		
Opening Balance	2,543.44	1,036.80
Add : Premium received on issue of equity shares	1,027.84	1,574.32
Less : Share issue expenses adjusted against Security Premium	68.24	67.68
<b>Closing Balance</b>	<b>3,503.05</b>	<b>2,543.44</b>
<b>General Reserve</b>		
Opening Balance	502.18	502.18
Less: Utilised / Transfer during the year	-	-
<b>Closing Balance</b>	<b>502.18</b>	<b>502.18</b>
<b>Retained Earnings</b>		
Opening Balance	13,924.52	14,291.69
Profit for the Year	406.24	(360.69)
Items of Other Comprehensive Income recognised directly in Retained Earnings		
Remeasurements on Post-employment Defined Benefit Plans, Net of Tax	22.10	(6.48)
Transfer to General Reserve	-	-
<b>Closing Balance</b>	<b>14,352.86</b>	<b>13,924.52</b>
<b>Capital Reserve</b>		
Opening Balance	-	0.00
Add: Addition during the year	17.69	0.00
Less: Capital Reserve used during the year	-	0.00
<b>Closing Balance</b>	<b>17.69</b>	<b>0.00</b>
<b>Warrants</b>		
Opening Balance	-	-
Add: Warrants issued during the year	578.44	-
Less: Shares issued against warrants	-	-
<b>Closing Balance</b>	<b>578.44</b>	<b>-</b>
<b>Total Other Equity</b>	<b>18,954.22</b>	<b>16,970.14</b>

**Nature and purpose of each Reserve**

**Securities Premium Account**

Securities Premium Account is used to record premium received on issue of shares. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.

During the year Company has issued 3,50,000 equity shares as Preferential issue at Rs.308.50/- per equity shares (Rs.10/- Face value and Rs.298.50/- share premium amount) aggregating to Rs.1079.75 Lakhs.

Partly paid 15,726 equity shares were forfeited during the year and amount received of Rs. 17.69 Lakhs transferred to Capital Reserve

**General Reserve**

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

Notes to Standalone Financial Statements for the year ended 31st March, 2024

15 Borrowings

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
<b>Secured</b>		
<b>* HDFC Bank Ltd.- Car Loans</b>	7.43	10.13
(Secured against the specific cars)		
Defaults:- NIL		
Terms of Repayment - 60 Monthly instalments		
Principal Amount- Rs. 14.00		
Date of start of repayments- 05/09/2021		
Nos of Installments- 36 monthly installments		
Due Date of Last Installment- 05/08/2026		
Rate of Interest- 13.06%		
Less: Current Maturities of Long-term Debt	2.91	2.70
<b>* HDFC Bank Ltd.- Car Loans</b>	10.44	-
(Secured against the specific cars)		
Defaults:- NIL		
Terms of Repayment - 60 Monthly instalments		
Principal Amount- Rs. 10.72		
Date of start of repayments- 05/02/2024		
Nos of Installments- 60 monthly installments		
Due Date of Last Installment- 05/01/2029		
Rate of Interest- 9.15%		
Less: Current Maturities of Long-term Debt	1.80	-
<b>Net Non Current Amount</b>	<b>13.16</b>	<b>7.43</b>
<b>* Citi Bank N.A.-- Term Loan FCTL-1</b>	1,388.13	2,281.91
Defaults:- NIL		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
Principal Amount- Total Amt.USD 5674526.54 equivalent of INR 4000.00 LACS		
Principal Amount-1- USD 2870264.06 equivalent of INR 2000.00 LACS		
Date of start of repayments- 29/08/2020		
Nos of Installments- 20 Quarterly installments		
Due Date of Last Installment- 29/05/2025		
Rate of Interest- 5.60%		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
Principal Amount-2- USD 2804262.48 equivalent of INR 2000.00 LACS		
Date of start of repayments- 31/03/2021		
Nos of Installments- 20 Quarterly installments		
Due Date of Last Installment- 31/12/2025		
Rate of Interest- 5.30%		
Less: Current Maturities of Long-term Debt	927.22	913.83
<b>* Citi Bank N.A.-- Term Loan FCTL-2</b>	1,116.12	1,650.00
Defaults:- NIL		
Terms of Repayment - 16 Quarterly Intallments after 12 months moratorium		
Principal Amount- USD 2732240.44 equivalent of INR 2000.00 LACS		
Date of start of repayments- 30/06/2022		
Nos of Installments- 16 Quarterly installments		
Due Date of Last Installment- 30/03/2026		
Rate of Interest- 4.00%		
Less: Current Maturities of Long-term Debt	558.06	550.00
<b>Net Non Current Amount</b>	<b>1,018.97</b>	<b>2,468.08</b>



Notes to Standalone Financial Statements for the year ended 31st March, 2024

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<p><b>* HDFC Bank-- Term Loan</b></p> <p>Defaults:- NIL</p> <p>Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium</p> <p>Principal Amount- INR 4000.00 LACS</p> <p>Date of start of repayments- 01/07/2021</p> <p>Nos of Installments- 20 Quarterly installments</p> <p>Due Date of Last Installment- 17/03/2026</p> <p>Rate of Interest- 3_M_T_BILL + 4.40% or 11.30% p.a.</p> <p>Less: Current Maturities of Long-term Debt</p>	1,600.00	2,400.00
<p><b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)</b></p> <p>Defaults:- NIL</p> <p>Terms of Repayment - 48 Monthly Intallments after 12 months moratorium</p> <p>Principal Amount- INR 1340.00 LACS</p> <p>Date of start of repayments- 01/04/2022</p> <p>Nos of Installments- 48 Monthly installments</p> <p>Due Date of Last Installment- 27/02/2026</p> <p>Rate of Interest- 3_M_T_BILL + 0.85% or 7.75% p.a.</p> <p>Less: Current Maturities of Long-term Debt</p>	642.08	977.08
<p><b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)</b></p> <p>Defaults:- NIL</p> <p>Terms of Repayment - 48 Monthly Intallments after 12 months moratorium</p> <p>Principal Amount- INR 2583.00 LACS</p> <p>Date of start of repayments- 01/04/2023</p> <p>Nos of Installments- 48 Monthly installments</p> <p>Due Date of Last Installment- 01/03/2027</p> <p>Rate of Interest- 3_M_T_BILL + 1.20% or 8.10% p.a.</p> <p>Less: Current Maturities of Long-term Debt</p>	1,883.44	2,529.19
<b>Net Non Current Amount</b>	<b>2,344.77</b>	<b>4,125.52</b>
<b>TOTAL NON CURRENT AMOUNT</b>	<b>3,376.90</b>	<b>6,601.03</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**(Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Current Secured</b>		
Loans Repayable on Demand from Banks*		
Bill Discounting Facilities- PCFC		
* Citi Bank N.A.	1,345.38	2,008.28
* HDFC BANK	416.75	442.93
Cash Credit/Export Credit Facilities		
* Citi Bank N.A.	730.36	287.59
* Citibank NA (WCDL A/C)		
* Axis Bank Ltd.	597.79	692.13
* HDFC Bank Ltd (C/C A/C)	1,425.50	1,517.36
* HDFC BankLtd. (WCDL A/C)	-	-
<b>Loans Repayable on Demand from Banks Total</b>	<b>4,515.77</b>	<b>4,948.29</b>
Current Maturities of Long-term Debt		
* HDFC Bank Ltd.- Car Loans	4.71	2.70
* Citi Bank N.A.-- Term Loan FCTL-1	927.22	913.83
* Citi Bank N.A.-- Term Loan FCTL-2	558.06	550.00
* HDFC Bank-- Term Loan	800.00	800.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	335.00	335.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	645.75	645.75
<b>Current Maturities of Long-term Debt Total</b>	<b>3,270.74</b>	<b>3,247.27</b>
<b>Unsecured</b>		
Loan from Directors	190.00	-
Loan from Others	100.00	-
<b>TOTAL CURRENT AMOUNT</b>	<b>8,076.51</b>	<b>8,195.56</b>

**15.1 Refer Note No. 38 for Related parties transaction.**
**\*Secured -**

- By a first pari passu charge by way of hypothecation of the Company's entire current assets (for Company's Unit-1 Unit-2 situated at GIDC Ankleshwar), namely, stocks of raw materials, semi-finished and finished goods and articles stores and spares not relating to plant and machinery (consumable stores and spares), Bills receivable and Book debts and all other movable of the Company both present and future but excluding such movables as may be permitted by the said Banks from time to time;
- By pari passu charge of CitiBank N.A., Axis Bank & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-1 & Unit-2 situated at GIDC, Ankleshwar & Registered Office situated at Ahmedabad ) including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By pari passu charge of CitiBank N.A. & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-3 situated at GIDC, Dahej including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By personal guarantee of directors Shri Bhagwandas K Patel, Shri Ramesh B Patel, & Shri Dixit B Patel.

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**

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

Quarter Ended	Particulars	Amount as per books of account	"Amount as reported in the quarterly return/statement"	Amount of difference	Reason for differences
Jun-23	Inventory	7,821.88	7,821.88	-	Trade Receivable submitted to Bank considering Net of Advance.
	Trade Receivables	4,687.76	4,434.00	253.75	
Sep-23	Inventory	6,360.73	6,375.25	-14.52	
	Trade Receivables	4,422.58	4,409.55	13.03	
Dec-23	Inventory	6,636.36	6,619.60	16.76	
	Trade Receivables	5,672.59	5,389.92	282.66	
Mar-24	Inventory	6,582.85	6,582.85	-	
	Trade Receivables	5,506.49	5,506.49	-	

15.1 Refer Note 42 for details of carrying amount of assets pledged/ hypothecated as security for secured borrowings and Note 40 for information about liquidity risk and market risk on borrowings.

**16 Trade Payables**

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Trade Payables		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	-	-
Dues of Creditors other than Micro Enterprises and Small Enterprises	122.22	289.58
<b>TOTAL</b>	<b>122.22</b>	<b>289.58</b>
<b>Current</b>		
Trade Payables		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	2,122.09	2,570.30
Dues of Creditors other than Micro Enterprises and Small Enterprises	4,577.36	3,636.28
<b>TOTAL</b>	<b>6,699.45</b>	<b>6,206.58</b>

16.1 Refer Note 40 for information about liquidity risk and market risk on trade payables.

**16.2 Trade Payables ageing schedule**

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>i) MSME</b>	2,122.09	-	-	-	2,122.09
	(2,570.30)	-	-	-	(2,570.30)
<b>(ii) Others</b>	4,577.36	51.45	70.77	-	4,699.58
	(3,636.28)	(289.58)	0.00	0.00	(3,925.87)
<b>(iii) Disputed dues – MSME</b>	-	-	-	-	0.00
	-	-	-	-	0.00
<b>(iv) Disputed dues - Others</b>	-	-	-	-	0.00
	-	-	-	-	0.00
<b>Total FY 23-24</b>	<b>6,699.45</b>	<b>51.45</b>	<b>70.77</b>	<b>-</b>	<b>6,821.68</b>
<b>Total FY 22-23</b>	<b>(6,206.58)</b>	<b>(289.58)</b>	<b>0.00</b>	<b>0.00</b>	<b>(6,496.16)</b>

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

Notes to Standalone Financial Statements for the year ended 31st March, 2024

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Dues with Due Dates of Payments as per above table 16.2	6,821.68	6,496.16
Outstanding Payables where still the payment has not become Due	-	-
Outstanding Payables still unbilled	-	-
<b>Total Trade Payables as shown in above Note 16</b>	<b>6,821.68</b>	<b>6,496.16</b>

17 Other Financial Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Other Sundry Creditors Payable for Expenses	0.01	0.01
Security Deposits- Employee Bonds	0.42	0.16
<b>TOTAL</b>	<b>0.43</b>	<b>0.17</b>
<b>Current</b>		
Interest Accrued	-	-
Business Credit card	91.73	-
Unpaid Dividends (refer Note No.17.1 below)	5.07	6.50
Security Deposits- Employee Bonds	-	1.27
<b>TOTAL</b>	<b>96.80</b>	<b>7.77</b>

17.1 There are no due for transfer to the Investor Education and Protection Fund during the year as at the Balance Sheet date.

18 Provisions

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Provisions for Employee Benefits (Refer Note 36)	37.97	49.86
<b>TOTAL</b>	<b>37.97</b>	<b>49.86</b>
<b>Current</b>		
Provision For Expenses	8.51	8.51
Provisions for Employee Salary & Benefits (Refer Note 36)	112.70	185.82
<b>TOTAL</b>	<b>121.21</b>	<b>194.33</b>

19 Current Tax Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Tax Expense Recognised in Profit or Loss		
<b>Current Tax</b>		
Current Tax Liabilities	-	-
<b>B. Tax on Other Comprehensive Income</b>		
<b>Current Tax</b>		
Remeasurements on Post-employment Defined Benefit Plans	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Notes to Standalone Financial Statements for the year ended 31st March, 2024

**20 Other Current Liabilities** (Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Dues Payable to Government Authorities @	40.50	17.19
Advances from Customers	84.62	257.53
<b>TOTAL</b>	<b>125.12</b>	<b>274.72</b>

@ Dues Payable to Government Authorities comprise GST, sales tax, excise duty, withholding taxes, payroll taxes, service tax, value added tax, entry tax and other taxes payable.

**21 Deferred Tax Liabilities (Net)**

**Significant Movements Deferred Tax Assets and Liabilities during the year.**

Particulars	As at 31st March, 2023	Recognised in Profit & Loss	As at 31st March, 2024
Property, Plant and Equipment and Intangible Assets Financial Assets at Fair Value through Profit or Loss - Investments	1,237.33	262.20	1,499.53
<b>Total Deferred Tax Liabilities</b>	<b>1,237.33</b>	<b>262.20</b>	<b>1,499.53</b>
Unabsorbed Loss	(83.50)	(378.00)	(461.50)
<b>Total Deferred Tax Assets</b>	<b>(83.50)</b>	<b>(378.00)</b>	<b>(461.50)</b>
<b>Net Deferred Tax Liabilities (Assets)</b>	<b>1,153.83</b>	<b>(115.81)</b>	<b>1,038.03</b>

**Significant Movements Deferred Tax Assets and Liabilities during the year.**

31st March, 2023	As at 31st March, 2022	Recognised in Profit & Loss	As at 31st March, 2023
Property, Plant and Equipment and Intangible Assets	1,187.31	50.02	1,237.33
<b>Total Deferred Tax Liabilities</b>	<b>1,187.31</b>	<b>50.02</b>	<b>1,237.33</b>
Unabsorbed Loss	-	(83.50)	(83.50)
<b>Total Deferred Tax Assets</b>	<b>-</b>	<b>(83.50)</b>	<b>(83.50)</b>
<b>Net Deferred Tax Liabilities (Assets)</b>	<b>1,187.31</b>	<b>(33.48)</b>	<b>1,153.83</b>

**22 Revenue from Operations**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Sale of Products *</b>		
<b>Manufactured Goods</b>		
Dyes & Intermediates	7,554.92	5,453.28
Sythetic Food Colours	19,307.45	22,575.23
<b>Trading Goods</b>	1,095.51	784.42
<b>Net Product Sales</b>	<b>27,957.89</b>	<b>28,812.92</b>
*(The above sales are net of (exclusive of) Inter Branch/ Unit Transfer)		
<b>Other Operating Revenues</b>		
Discounts Others	0.63	-
Export Incentive Income	390.40	440.50
Excise Refund Income	-	-
Foreign Exchange Gain & Loss- Exports & Imports	22.47	260.83
Quantity Discount	-	-
Rates & Quality Difference	-	1.42
Scrap Sale Income	6.90	25.29
<b>Total Other Operating Revenues</b>	<b>420.40</b>	<b>728.04</b>
<b>Total Revenue from Operations</b>	<b>28,378.28</b>	<b>29,540.96</b>

Notes to Standalone Financial Statements for the year ended 31st March, 2024

23 Other Income

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Apprentice Stipend Refund	0.59	0.62
Profit on Sales Investments	0.06	-
Sundry Balances written Back	-	2.20
Dividend Received	0.34	0.19
<b>Interest Income on</b>		
- Fixed Deposits with Banks	18.69	16.03
- Staff Loan	0.33	0.12
- Income tax Refund	21.01	0.23
- Deposit with GEB & ETL	22.89	14.51
Insurance Claim	-	0.20
Office Rent Income	0.12	0.12
Profits on sale or w/o of assets	-	0.12
<b>TOTAL</b>	<b>64.03</b>	<b>34.34</b>

24 Cost of Materials Consumed

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Stock	1,314.91	1,367.12
Add: Purchases during the year *	13,412.81	16,069.81
	14,727.72	17,436.92
Less : Closing Stock	1,189.81	1,314.91
<b>TOTAL</b>	<b>13,537.90</b>	<b>16,122.01</b>

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

25 Purchases of Stock-in-trade

Particulars	As at 31st March, 2024	As at 31st March, 2023
Chemical Items	874.44	628.25
<b>TOTAL</b>	<b>874.44</b>	<b>628.25</b>

26 Changes in Inventories

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>OPENING INVENTORIES :</b>		
Finished Goods	4,141.44	3,338.26
Finished Goods (Captive)	8.94	18.15
Trading Stocks	21.34	23.97
Work-in-Progress	862.06	424.63
<b>TOTAL</b>	<b>5,033.77</b>	<b>3,805.01</b>
<b>CLOSING INVENTORIES :</b>		
Finished Goods	4,210.96	4,141.44
Finished Goods ( Captive)	48.18	8.94
Trading Stocks	2.81	21.34
Work-in-Progress	898.42	862.06
<b>TOTAL</b>	<b>5,160.38</b>	<b>5,033.77</b>
<b>TOTAL</b>	<b>(126.60)</b>	<b>(1,228.77)</b>

Notes to Standalone Financial Statements for the year ended 31st March, 2024

**27 Employee Benefit Expenses** (Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Salary, Wages & Bonus	1,509.22	1,450.22
Staff Welfare Exps.	111.88	112.47
Salaries & Bonus to Directors	245.69	248.84
Incentive Commission to Other Staff	-	13.31
Commission to Managing Director	-	-
<b>Refer Note No. 27.1</b>		
Contribution to Provident Fund & Other Funds	88.77	83.93
Gratuity Insurance Premium ( See Note 36)	32.62	20.48
<b>TOTAL</b>	<b>1,988.18</b>	<b>1,929.25</b>

27.1 Refer Note No.38 for Related Parties Transactions

**28 Finance Costs**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest Expense on:		
- Term Loans	579.82	684.61
- Cash Credit and Working Capital Demand Loan	383.13	334.50
- Others	97.85	22.21
Foreign Exchange Difference regarded as an Adjustment to Borrowing Costs	178.58	510.39
Bank and Other Finance Charges	49.51	58.72
<b>TOTAL</b>	<b>1,288.90</b>	<b>1,610.44</b>

28.1 Refer Note No.38 for Related Parties Transactions

**29 Depreciation and Amortisation Expense**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation on Property, Plant and Equipment (Refer Note 4.1)	1,660.56	1,674.76
Amortisation of Expense	7.76	-
<b>TOTAL</b>	<b>1,668.31</b>	<b>1,674.76</b>

**30 Other expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Manufacturing Expenses (Refer Note 30.1)	7,444.75	7,860.84
Repairs and Maintenance Expenses (Refer Note 30.2)	680.98	554.05
<b>Administrative and Other Expenses (Refer Note 30.3)</b>	<b>783.68</b>	<b>818.64</b>
<b>TOTAL</b>	<b>8,909.41</b>	<b>9,233.53</b>

30.1 Other Manufacturing Expenses

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>PACKING MATERIAL CONSUMED</b>		
Op. Stock	25.84	19.57
Add: Purchases during the year	508.16	562.78
	534.00	582.35
Less : Closing stock	36.18	25.84
<b>Total</b>	<b>497.82</b>	<b>556.51</b>
<b>E.T.P MATERIAL CONSUMED</b>		
Op. Stock	7.88	2.77
Add: Purchases during the year	196.66	122.86
	204.54	125.63
Less : Closing stock	9.97	7.88
<b>Total</b>	<b>194.57</b>	<b>117.75</b>

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**(Amount in Rs. in Lakhs)**

<b>POWER &amp; FUEL CONSUMED</b>		
Electric Power & Burning	1,674.44	1,432.32
Fuel Purchased & Consumed	1,306.40	1,357.07
Gas Consumption Charges	1,207.00	1,655.34
<b>Total</b>	<b>4,187.85</b>	<b>4,444.73</b>
<b>OTHER MFGS. EXPENSES</b>		
Consumable Stores	264.98	178.01
ETP Expense	551.63	553.49
Factory & Other Expenses	102.47	114.63
Rates & Quality Difference (Purchase)	0.49	-
Forwarding & Handling Charges	412.06	773.99
Labour & Job Charges	1,017.76	881.04
Transportations Expenses	215.13	240.69
<b>Total</b>	<b>2,564.52</b>	<b>2,741.85</b>
<b>TOTAL</b>	<b>7,444.75</b>	<b>7,860.84</b>

**30.2 Repairs and Maintenance Expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Building & Premises Repairing	50.79	34.22
Consumable Stores (Plant, MEE & Electricals)	320.18	268.70
Repairing & Maintenance- Others	11.36	11.99
Machinery Parts, Repairs & Maintenance	298.65	239.14
<b>TOTAL</b>	<b>680.98</b>	<b>554.05</b>

**30.3 Administrative and Other Expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Angadia & Courier Exp	19.97	19.29
Consultancy & Professional Fees	38.92	64.23
Cost Audit Fees	1.15	0.93
Corporate Social Responsibility Expenses (Refer Note No.:30.4)	40.62	62.30
Exhibition Exp.	21.35	22.02
FDA Approval Fees	35.66	102.47
Insurance Premium	86.90	65.69
Lab-Testing Expense	20.62	16.09
Loss/Profits on sale/w/o of assets	2.37	0.02
Office Electric Bill Exp.	3.33	3.47
Other Administrative & Establishment Exps	36.55	14.27
Legal & Other Fees	43.44	67.41
Loss on Sales Investments	-	0.10
Payments to Auditors (Refer Note No: 30.5)	8.51	8.51
Sales Promotion Exps	12.20	13.02
Security Exp	77.60	69.95
Stationery & Printing Expense	15.57	18.89
Sitting Fees to Directors	1.36	1.68
Selling Commission	117.01	76.52
Telephone Exps-Others	2.18	2.08
Travelling & Conveyance	121.61	121.95
Water Charges	76.75	67.75
<b>TOTAL</b>	<b>783.68</b>	<b>818.64</b>

**30.3.1 Refer Note No.38 for Related Parties Transactions**



## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### 30.4 Corporate Social Responsibility Expenditure:

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

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

	As at 31st March, 2024	As at 31st March, 2023
a) Amount required to be spent as per Section 135 of the Companies Act 2013 for the year	38.36	62.29
b) Amount of expenditure incurred as approved by Board	38.37	62.30
c) Shortfall/ (Excess) at the end of the year	(0.01)	(0.01)
d) Total of previous years shortfall	Nil	Nil
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Women Empowerment, Medical, Rural Development, Education, Food, Environment Protection etc	Promoting Education
g) Details of related party transactions e.g., contribution to a trust controlled by the company in relation to CSR expenditure	0.00	62.30
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	N.A	N.A

### 30.5 Payments to Auditors comprise

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Statutory Auditors		
As Auditor		
As Audit Fee -Financial Statements	8.51	8.51

### 31 Income Tax Expense

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>A. Tax Expense recognised in Profit or Loss</b>		
<b>Current Tax</b>		
Current Tax on Profits for the Year	-	-
Adjustment for Current Tax of Earlier Years	-	-
	-	-
<b>Deferred Tax</b>		
Origination and Reversal of Temporary Differences (Due to effect of Depreciation)	(115.81)	(33.48)
<b>Income Tax Expense</b>	<b>(115.81)</b>	<b>(33.48)</b>
<b>B. Tax on Other Comprehensive Income</b>		
<b>Current Tax</b>		
Remeasurements on Post-employment Defined Benefit Plans	-	-

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**31.1 Numerical Reconciliation of Income Tax Expense to Prima Facie Tax Payable**
**(Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Profit before Income Tax Expense	301.77	(394.17)
Enacted Statutory Income Tax Rate in India applicable to the Company	25.17%	25.17%
Computed Expected Income Tax Expense	-	-
<b>Adjustments:-</b>		
Effect of expenses that are not deductible in determining taxable profit	(115.81)	(33.48)
<b>TOTAL</b>	<b>(115.81)</b>	<b>(33.48)</b>

**32 Earnings per Equity Share**

Particulars	As at 31st March, 2024	As at 31st March, 2023
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	11,694,113	11,328,449
(ii) Number of Equity Shares at the End of the Year	12,028,387	11,694,113
(iii) Weighted Average Number of Equity Shares Outstanding during the Year	11,855,536	11,340,499
(iv) Face Value of Each Equity Share (Rs.)	10.00	10.00
(v) Profit after Tax Available for Equity Shareholders Profit for the Year	406.24	(360.69)
(vi) Basic Earnings per Equity Share (Rs.)	3.43	(3.14)
(vi) Basic Earnings per Equity Share (Restated)	3.43	(3.24)
<b>(B) Diluted</b>		
(ii) Diluted Earnings per Equity Share (Rs.)	3.40	(3.14)
(ii) Diluted Earnings per Equity Share (Rs.) (Restated)	3.40	(3.24)

**33 Information relating to Micro and Small Enterprises (MSEs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
(1) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Principal Amount	2,122.09
	Interest Amount	-
(2) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Principal Amount	-
	Interest Amount	-
(3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified	-	-
(4) The amount of interest accrued and remaining unpaid at the end of each accounting year		
(5) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the Purpose of disallowance of a deductible expenditure		

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

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**34 Contingencies - (Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
A ) Claims against the Company not acknowledged as debts: Taxes, duties and other demands (under appeal/dispute)		
(i) The aggregate amount involved in the various Show Cause Notices issued by Office of the Superintendent of Central Excise & Customs, Range-II, Division-II, Ankleshwar regarding the Cenvat Credit availed by the Company on some services is not admissible to them and such wrongful availment and utilization of Cenvat Credit liable to be reversed. The Company has filed replies to the said Show Cause Notices	64.85	67.71
(ii) Deemed Dividend U/s 2(22)(e) of Income Tax Act 1961, for AY 2012-13, appeal is pendng with CIT Appeals-I	12.92	12.92
(iii) Penalty u/s 270A of Income Tax Act 1961, for AY 2017-18, appeal is pendng with CIT Appeals-I	35.13	35.13

**35 Contingencies -**

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
(b) Guarantees Bank Guarantees / Letter of Credits	242.00	240.50

**36 Employee Benefits :-**
**(I) Post Employment Defined Benefits Plans :**
**(A) Gratuity (Funded)**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2(t)(ii) above, based upon which, the Company makes contributions to the Employees' Gratuity Funds.

**The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company: (Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>(a) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligations:-</b>		
<b>Present Value of Obligation at the beginning of the year</b>	<b>248.32</b>	<b>221.78</b>
Current Service Cost	28.07	17.70
Past Service Cost	-	-
Interest Cost	18.62	16.26
Remeasurements Losses	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial Losses arising from Changes in Financial Assumptions	6.87	(4.09)
Actuarial Losses arising from Changes in Experience Adjustments	(26.27)	9.07
Benefits Paid	(4.76)	(12.39)
<b>Present Value of Obligation at the end of the year</b>	<b>270.85</b>	<b>248.32</b>

<b>(b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:</b>		
<b>Fair Value of Plan Assets at the beginning of the year</b>	201.52	189.33
Interest Income	15.11	13.88
Remeasurements Gains	-	-
Actuarial Losses arising from Changes in Experience Adjustments	-	-
Return on Plan Assets (excluding amount included in Net Interest Cost)	2.70	(1.51)
Contributions by Employer	75.30	12.22
Benefits Paid	(4.76)	(12.39)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>289.87</b>	<b>201.52</b>
<b>(c) Reconciliation of the Present Value of the defined benefits Obligation and the Fair Value of Plan Assets - Amount Recognized in the Balance Sheet:</b>		
(Present Value of Obligation at the end of the year)	(270.85)	(248.32)
Fair Value of Plan Assets at the end of the year	289.87	201.52
Fund Status (Surplus/ Deficit))	19.02	(46.80)
<b>Net (Liabilities)/ Assets Recognised in the Balance Sheet</b>	<b>19.02</b>	<b>(46.80)</b>
<b>(d) Actual Return on Plan Assets</b>	<b>15.11</b>	<b>13.88</b>
<b>(e) Expense Recognisable in Profit or Loss :</b>		
Current Service Cost	28.07	17.70
Net Interest Cost	3.51	2.38
Past Service Cost	-	-
Expenses Recognised in Profit or Loss for Current Period@	31.58	20.08
<b>(f) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
Actuarial (Gains)/Losses on Obligation For the Period	(19.40)	4.97
Return on Plan Assets, Excluding Interest Income	(2.70)	1.51
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>(22.10)</b>	<b>6.48</b>
<b>(g) Balance Sheet Reconciliation</b>		
<b>Opening Net Liability</b>	<b>46.80</b>	<b>32.46</b>
<b>Expenses Recognized in Statement of Profit or Loss</b>	<b>31.58</b>	<b>20.08</b>
<b>Expenses Recognized in OCI</b>	<b>(22.10)</b>	<b>6.48</b>
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(75.30)	(12.22)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>(19.02)</b>	<b>46.80</b>
<b>(h) Category of Plan Assets:</b>		
Funded with LIC	100.00%	100.00%
Insurance fund	289.87	201.52
Total	289.87	201.52
<b>(i) Maturity profile of Defined Benefits Obligations:</b>		
1st Following Year	46.39	26.37
2nd Following Year	5.70	24.74
3rd Following Year	7.37	6.65

4th Following Year	19.83	7.27
5th Following Year	8.59	19.85
Sum of Years 6 To 10	109.82	105.59
Sum of Years 11 and above	468.59	462.20
<b>(j) Actuarial Assumptions:</b>		
Expected Returns on Plan Assets	7.22%	7.50%
Rate of Discounting	7.22%	7.50%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>(k) Other Details:</b>		
No of Members in Service	446	503
Per Month Salary For Members in Service	61.01	67.15
Weighted Average Duration of the Defined Benefit Obligation	11	11
Average Expected Future Service	20	20
Defined Benefit Obligation (DBO) - Total	270.85	248.32
Defined Benefit Obligation (DBO) - Due but Not Paid	-	-
<b>(l) Net Interest Cost for Next Year</b>		
Present Value of Benefit Obligation at the End of the Period	270.85	248.32
(Fair Value of Plan Assets at the End of the Period)	(289.87)	(201.52)
Net Liability/(Asset) at the End of the Period	(19.02)	46.80
Interest Cost	19.56	18.62
(Interest Income)	(20.93)	(15.11)
<b>Net Interest Cost for Next Year</b>	<b>1.37</b>	<b>3.51</b>
<b>(m) Expenses Recognized in the Statement of Profit or Loss for Next Year</b>		
Current Service Cost	26.92	28.07
Net Interest Cost	(1.37)	3.51
(Expected Contributions by the Employees )	0.00	0.00
<b>Expenses Recognised</b>	<b>25.55</b>	<b>31.58</b>
<b>(n) Sensitivity Analysis</b>		
Defined Benefit Obligation on Current Assumptions	270.85	248.32
Delta Effect of +1% Change in Rate of Discounting	(23.13)	(21.83)
Delta Effect of -1% Change in Rate of Discounting	27.43	25.90
Delta Effect of +1% Change in Rate of Salary Increase	24.34	22.76
Delta Effect of -1% Change in Rate of Salary Increase	(22.21)	(20.73)
Delta Effect of +1% Change in Rate of Employee Turnover	0.69	1.31
Delta Effect of -1% Change in Rate of Employee Turnover	(0.84)	(1.55)

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

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

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

### (II) Post Employment Defined Contributions Plans :

#### (A) Provident Fund

Certain categories of employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. During the year, an amount of Rs. 81.56 Lakhs (Previous Year Rs. 76.52 Lakhs) has been recognised as expenditure towards above defined contribution plans of the Company.

#### (III) Leave Obligations

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement. The total provision recorded by the Company towards this obligation was Rs. 47.42 Lakhs, and Rs. 60.68 Lakhs at 31st March, 2024, and 31st March, 2023 respectively. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

#### (IV) Risk Exposure

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

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

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

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

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

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

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

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

## 37. Segment Reporting

### Description of Segments and Principal Activities

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

## 38 Related Party Disclosures:

### 38.1 List of related parties

#### (i) Subsidiary Company

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

#### (ii) Associates :-

Dynemic Holdings Pvt Ltd.

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**
**(iii) Key Management Personnel :-**

Mr. B. K. Patel	Managing Director
Mr. Rameshbhai B. Patel	Wholetime Director
Mr. Dixit B. Patel	Wholetime Director
Ms. Varsha Mehta	Company Secretary
Mr. Ankit Shah	Chief Financial Officer

**(iv) Independent Directors :-**

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

**(v) Relatives of Key Managerial Personnel :-**

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

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

Dynemic Foundation
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**38.2 Transactions with related parties :-**

Sr. No.	Particulars	Name of Person / Entity	As at 31st March, 2024	As at 31st March, 2023
1	Remuneration / Salary Expense	Mr. B. K. Patel	99.38	85.48
		Mr. Rameshbhai B. Patel	85.53	85.05
		Mr. Dixit B. Patel	88.29	78.32
		Ms. Varsha Mehta	11.13	12.29
		Mr. Ankit Shah	12.21	7.75
		Mr. Sachin R. Patel	2.92	2.80
		Mr. Mukesh B. Patel	19.05	17.22
2	Sitting Fees	Mr. Jagdish S. Shah	0.40	0.56
		Mr. Shankarlal B. Mundra	0.48	0.56
		Mrs. Rashmi K. Otavani	0.48	0.56
3	Sale of Goods & Services	Dynemic Holdings Pvt Ltd	0.12	0.12
4	Commission Paid	Mr. B. K. Patel	0.00	0.00
		Mr. Mukesh B. Patel	0.00	10.68
		Mrs. Chetna M. Patel	23.28	9.22
5	CSR Expense	Dynemic Foundation	0.00	62.30
6	Loan Taken	Mr. B. K. Patel	132.00	104.00
		Mr. Rameshbhai B. Patel	117.50	146.50
		Mr. Dixit B. Patel	27.00	48.00
7	Loan Repaid	Mr. B. K. Patel	42.00	111.52
		Mr. Rameshbhai B. Patel	17.50	154.00
		Mr. Dixit B. Patel	27.00	55.50
8	Interest Expense on Loan	Mr. B. K. Patel	1.48	1.75
		Mr. Rameshbhai B. Patel	12.50	6.20
		Mr. Dixit B. Patel	0.37	0.71

Notes to Standalone Financial Statements for the year ended 31st March, 2024

38.3 Outstanding Balance :-

Sr. No.	Particulars	Name of Person / Entity	As at 31st March, 2024	As at 31st March, 2023
1	Remuneration / Salary Expense	Mr. B. K. Patel	0.57	4.59
		Mr. Rameshbhai B. Patel	0.04	0.84
		Mr. Dixit B. Patel	2.42	4.06
		Ms. Varsha Mehta	0.87	0.61
		Mr. Ankit Shah	0.74	0.96
		Mr. Sachin R. Patel	0.22	0.22
		Mr. Mukesh B. Patel	0.57	1.12
2	Sitting Fees	Mr. Jagdish S. Shah	0.00	0.00
		Mr. Shankarlal B. Mundra	0.00	0.00
		Mrs. Rashmi K. Otavani	0.00	0.00
3	Sale of Goods & Services	Dynemic Holdings Pvt Ltd	0.00	0.00
4	Commission	Mr. B. K. Patel	0.00	0.00
		Mr. Mukesh B. Patel	0.00	7.35
		Mrs. Chetna M. Patel	0.00	0.00
5	Loan	Mr. B. K. Patel	90.00	0.00
		Mr. Rameshbhai B. Patel	100.00	0.00
		Mr. Dixit B. Patel	0.00	0.00

38.4 Terms and conditions of transactions with related parties Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The sales to and purchases from related parties are made in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash/cheque. No provisions are held against receivables from related parties. There are no loans outstanding with related parties.

39 Fair Value Measurements

(i) Financial Instruments by Category	31st March 2024	31st March 2023
	Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
<b>Financial Assets</b>		
<b>Assets Carried at Fair Value through Profit or Loss</b>		
<b>Investments</b>		
Equity Instruments	-	-
Mutual Funds	-	-
Other Financial Assets	-	-
<b>Assets Carried at Amortised Cost</b>		
Investments		
Equity Instruments	131.22	131.22
Mutual Funds	-	-
Trade Receivables	5,506.49	5,072.48
Cash and Cash Equivalents	8.81	41.41
Other Bank Balances	162.90	126.10
Loans	3.27	0.88
Other Financial Assets	1,881.86	1,828.42
<b>Total Financial Assets</b>	<b>7,694.55</b>	<b>7,200.52</b>
<b>Financial Liabilities</b>		
<b>Liabilities Carried at Amortised Cost</b>		
Borrowings (including current maturities and interest accrued)	11,453.41	14,796.60
Trade Payables	6,821.68	6,496.16
Other Financial Liabilities	97.24	7.94
<b>Total Financial Liabilities</b>	<b>18,372.32</b>	<b>21,300.70</b>



## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### (ii) Fair Values

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2024.

The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(b) The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.

(c) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), investments in commercial papers, trade payables, borrowings (current) and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain loans and long-term borrowings at floating interest rates which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

(d) The fair value of remaining financial instruments is determined on discounted cash flow analysis using a current lending/discount rate, as considered appropriate. For financial assets carried at fair value, the carrying amounts are equal to their fair values.

### (iii) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

**Level-1 :** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

## 40 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered as per Company's policy to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit Committee and the Board of Directors. This process provides assurance to the Company's senior management that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

### (A) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks and Investments in Mutual Funds).

#### Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by each business unit subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of total revenues.

### Other Financial Assets

Credit risk from balances with banks, term deposits, loans, investments and derivative instruments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties. The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2024, and 31st March, 2023 is the carrying amounts as disclosed in Note 39.

### Financial Assets that are Neither Past Due Nor Impaired

None of the Company's cash equivalents with banks, loans and investments were past due or impaired as at 31st March, 2024 and 31st March, 2023. Of the total trade receivables Rs. 5506.49 Lakhs as at 31st March, 2024 and Rs. 5072.48 Lakhs as at 31st March, 2023 consisted of customer balances that were neither past due nor impaired.

### Financial Assets that are Past Due but Not Impaired

The Company's credit period for customers generally ranges from 0 - 180 days. The ageing of trade receivables that are past due but not impaired (net of provisions/allowances) is given below:

Period (in days)	31st March 2024	31st March 2023
01-90	5,117.76	5,058.40
91-180	320.70	-
More than 180	68.03	14.07

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

### (B) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

#### (i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities (excluding non-fund based facilities) at the end of the reporting period:

Period (in days)	31st March 2024	31st March 2023
Floating Rate		
Expiring within one year (working capital facilities)	584.23	151.71

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

Subject to the continuance of satisfactory credit ratings, the above facilities may be drawn at any time within one year.

#### (ii) Maturities of Financial Liabilities

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual Maturities of Financial Liabilities	Within 1 year	Between 1 and 3 year	Total
<b>31st March, 2024</b>			
Borrowings	8,076.51	3,376.90	11,453.41
Trade Payables	6,699.45	122.22	6,821.68
Other Financial Liabilities	96.80	0.43	97.24
Financial Guarantee Contracts			
<b>Total</b>	<b>14,872.76</b>	<b>3,499.56</b>	<b>18,372.32</b>
<b>31st March, 2023</b>			
Borrowings	8,195.56	6,601.03	14,796.60
Trade Payables	6,206.58	289.58	6,496.16
Other Financial Liabilities	7.77	0.17	7.94
Financial Guarantee Contracts	-	-	-
<b>Total</b>	<b>14,409.91</b>	<b>6,890.79</b>	<b>21,300.70</b>

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### (C) Market Risk

#### (i) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies (primarily US Dollars and Euro). The Company has obtained foreign currency loans and has foreign currency trade receivables, trade payables and other financial assets/liabilities and is therefore exposed to foreign currency risk.

#### (a) Foreign Currency Risk Exposure:

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	31st March 2024			31st March 2023		
	USD	EURO	OTHER	USD	EURO	OTHER
<b>Financial Assets</b>						
Trade Receivables	3,719.31	260.38	533.53	3,201.59	251.97	-
Bank Balance in EEFC Account	6.79	-	-	1.55	-	-
Other Financial Assets	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-
Foreign Exchange Forward Contracts	-	-	-	-	-	-
<b>Net Exposure to Foreign Currency Risk (Assets)</b>	<b>3,726.10</b>	<b>260.38</b>	<b>533.53</b>	<b>3,203.14</b>	<b>251.97</b>	-
<b>Financial Liabilities</b>						
Borrowings (including Current maturities)	4,104.25	-	-	6,331.91	-	-
Trade Payables	946.90	-	-	636.11	-	-
Other Financial Liabilities	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-
Foreign Exchange Forward Contracts	-	-	-	-	-	-
<b>Net Exposure to Foreign Currency Risk (Liabilities)</b>	<b>5,051.15</b>	-	-	<b>6,968.02</b>	-	-
<b>Net Exposure to Foreign Currency Risk (Assets -Liabilities)</b>	<b>(1,325.05)</b>	<b>260.38</b>	<b>533.53</b>	<b>(3,764.87)</b>	<b>251.97</b>	-

#### (b) Sensitivity

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

Particulars	Impact on Profit before tax	
	31st March, 2024	31st March, 2023
<b>USD Sensitivity</b>		
INR/USD -Increase by 7%*	(92.75)	(263.54)
INR/USD -Decrease by 7%*	92.75	263.54
<b>Euro Sensitivity</b>		
INR/EUR-Increase by 7%*	18.23	17.64
INR/EUR-Decrease by 7%*	(18.23)	(17.64)

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

\* Holding all other variables constant

### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. To manage this, the Company may enter into interest rate swaps. The management also maintains a portfolio mix of floating and fixed rate debt.

The Company's fixed rate borrowings and investments in term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

#### (a) Interest Rate Risk Exposure

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2024	31st March 2023
Variable Rate Borrowings	4,515.77	4,948.29
Fixed Rate Borrowings	6,647.64	9,848.31
Total Borrowings	11,163.41	14,796.60

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	"Weighted average interest rate(%)"	Balance	% of Total Loans
<b>31st March 2024</b>			
Cash Credit/Packing Credit Facilities	8.94%	4,515.77	40.45%
<b>31st March 2023</b>			
Cash Credit/Packing Credit Facilities	6.23%	4,948.29	33.44%

An analysis by maturities is provided in Note 40(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

#### (b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit before tax	
	31st March, 2024	31st March, 2023
<b>Variable Rate Borrowings</b>		
Interest Rates - Increase by 100 basis points (100 bps) *	45.16	49.48
Interest Rates - Decrease by 100 basis points (100 bps) *	(45.16)	(49.48)
<b>Fixed Rate Borrowings</b>		
Interest Rates - Increase by 100 basis points (100 bps) *	66.48	98.48
Interest Rates - Decrease by 100 basis points (100 bps) *	(66.48)	(98.48)

\* Holding all other variables constant

### (iii) Commodity Price Risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's sales of dyes and intermediates, including the raw material components for such products. Cost of raw materials forms the largest portion of the Company's cost of sales. Market forces generally determine prices for the goods sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sales of goods. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

## 41 Capital Management

### (a) Risk Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

The Company monitors capital on the basis of the net debt to equity ratio. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

Particulars	31st March 2024	31st March 2023
<b>Total Borrowings</b>	11,163.41	14,796.60
Less: Cash and cash equivalents	171.71	167.51
<b>Net Debt</b>	<b>10,991.70</b>	<b>14,629.08</b>
Equity	20,157.06	18,138.77
Total Capital (Equity + Net Debt)	31,148.75	32,767.85
<b>Net Debt to Equity ratio</b>	<b>35.29%</b>	<b>44.64%</b>

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

(b) Dividend on Equity Shares

Particulars	31st March, 2024	31st March, 2023
Dividend Declared and Paid during the year	-	-
Proposed Dividend Not Recognised at the End of the Reporting Period	-	-

## 42 Assets Pledged/ Hypothecated as Security

Particulars	31st March 2024	31st March 2023
<b>Current</b>		
First Charge		
Financial Assets		
Trade Receivables under Bill Discounting (Refer below)	1,345.38	2,008.28
Other Trade Receivables	(1,345.38)	(2,008.28)
Non-financial Assets	-	-
Inventories	6,582.85	6,513.84
<b>Sub-total</b>	<b>6,582.85</b>	<b>6,513.84</b>
<b>Non-current</b>		
First Charge/Second Charge		
Leasehold Land	1,340.92	1,340.92
Buildings	9,007.41	9,352.95
Plant and Equipments	13,938.47	15,041.53
Furniture and Fixtures	86.71	98.17
Office Equipments	16.20	24.56
Vehicles	40.43	40.37
<b>Sub-total</b>	<b>24,430.14</b>	<b>25,898.49</b>
<b>Total</b>	<b>31,012.98</b>	<b>32,412.34</b>

### Trade Receivables under Bill Discounting

The carrying amount of trade receivables include receivables which are subject to bill discounting arrangement. Under this arrangement, the Company has discounted the relevant receivables in exchange of cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise such receivables in their entirety in its balance sheet. The amount payable under the bill discounting arrangement is presented as secured borrowings (Refer Note 15).

## Notes to Standalone Financial Statements for the year ended 31st March, 2024

### 43 Relationship with Struck off Companies, if any.

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any,
NIL	Investments in securities	NIL	NIL
NIL	Receivables	NIL	NIL
NIL	Payables	NIL	NIL
NIL	Other outstanding balances	NIL	NIL

### 44 Ratios Analysis:-

Name of Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% changes over previous year	Reasons for more than 25% changes
(a) Current Ratio	Current assets	Current Liabilities	0.87	0.87	(0.14%)	NA
(b) Debt-Equity Ratio	Total Debt	Total Equity	0.98	1.27	22.86%	NA
(c) Debt Service Coverage Ratio	PAT + Depreciation + Term Loan Interest	Term Loan Interest + Term Loan Repayment	0.70	0.68	3.47%	NA
(d) Return on Equity Ratio	PAT	Average Equity	2.12%	(2.06%)	203.24%	See Note #
(e) Inventory turnover ratio	Total Revenue from Operation	Average Inventory	4.33	5.04	(14.04%)	NA
(f) Trade Receivables turnover ratio	Total Revenue from Operation	Average Trade Receivables	5.37	6.04	(11.24%)	NA
(g) Trade payables turnover ratio	Total Purchases	Average Trade Payables	2.45	3.13	(21.90%)	NA
(h) Net capital turnover ratio	Total Revenue from Operation	Net Working Capital	(14.71%)	(15.70%)	6.34%	NA
(i) Net profit ratio	Net Profit ( PAT)	Total Revenue from Operation	1.43%	(1.22%)	217.24%	See Note #
(j) Return on Capital employed	"Earnings Before Interest and Taxes (EBIT)"	"Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability"	6.56%	4.67%	40.48%	See Note #
(k) Return on investment	Income generated from invested funds	Average of Investment & Fixed Deposits	14.97%	10.30%	45.33%	See Note #

**Note:-** With increase in utilisation of Production capacity of Unit-3, profit in FY 2023-24 increased in comparison with FY 2022-23.

### 45 Issue of Shares

During the year the Company has received Rs.1079.75 Lakhs on Preferential issue of 3,50,000 shares at Rs.308.50/- per equity shares (Rs.10/- Face value and Rs.298.50/- share premium amount) to meet Incremental working Capital requirement.

During the year the Company has forfeited 15726 party paid equity shares.

The total issue expenses incurred 68.24 Lakhs (excluding taxes) has been adjusted against securities premium.

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

### 46 Event Occurring after The Balance Sheet Date

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

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

**Notes to Standalone Financial Statements for the year ended 31st March, 2024**

- 48** No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year under audit.
- 49** Company has not been declared willful defaulter by any bank or financial Institution or other lender during the year under audit.
- 50** Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period during the year under audit.
- 51** Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 52** During the year, Company has no relation of any kind or transactions with any of the Struck off Companies.
- 53** The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- 54** The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 55** The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 56** The financial statements of the Company for the year ended 31st March, 2024 have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on 30th May, 2024.
- 57** The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable with current year’s figures.

AS PER OUR REPORT OF EVEN DATE  
**FOR, B. K. PATEL & CO.**  
 CHARTERED ACCOUNTANTS  
 FRN :- 112647W

**CA B. K. PATEL**  
 PARTNER  
 MEMBERSHIP NO.032199

PLACE : AHMEDABAD.  
 DATE : 30.05.2024

**FOR AND ON BEHALF OF**  
 DYNEMIC PRODUCTS LIMITED

**B. K. PATEL**  
 MANAGING DIRECTOR

**D. B. PATEL**  
 DIRECTOR

**R. B. PATEL**  
 DIRECTOR

**ANKIT SHAH**  
 CHIEF FINANCIAL OFFICER

PLACE : AHMEDABAD.  
 DATE : 30.05.2024

**VARSHA MEHTA**  
 COMPANY SECRETARY

## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
**Dynemic Products Limited**

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying consolidated financial statements of Dynemic Products Limited ("Holding Company") and its subsidiary Company (Holding Company and its subsidiary together referred to as "the Group"), its associate, which comprise the consolidated Balance Sheet as at March 31, 2024, the consolidated statement of Profit and Loss, including other comprehensive Income, the consolidated Statement of Changes in Equity, the consolidated Cash Flows Statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024 and their consolidated net profit, their consolidated total comprehensive income, their consolidated statements of changes in equity and their consolidated statement of cash flows for the year ended on that date.

#### BASIS FOR OPINION

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

#### KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements;

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

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



## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its subsidiaries and joint venture entity are responsible for assessing the ability of the Group and of its subsidiaries and joint venture entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its subsidiaries and joint venture entity to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its subsidiaries and joint venture entity to cease to continue as a going concern.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **OTHER MATTERS**

(a) The accompanying Consolidated Financial Statements include the financial statements and other financial information of 1 subsidiary, whose financial statements include total assets of Rs.120.76 lakhs as at March 31, 2024, total revenues of Rs.312.17 lakhs, total net profit after tax of Rs.6.48 lakhs for the year ended on March 31, 2024, which have been audited by us.

The accompanying Consolidated Financial Statements also include the financial statements and other financial information of 1 Associate Company, whose financial statements include Group's share of net loss of Rs.0.57 lakhs for the year ended on March 31, 2024, which have been audited by us.

(b) Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis on the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-A" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/provided by the Holding Company to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report on separate financial statements as also the other financial information of the group company, as noted in the 'Other Matters' paragraph:

- i. As informed to us, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. The Group and its associate entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There have been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and.
- iv) (a) the respective management of the Company and its subsidiary and Associate has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) the respective management of the Company and its subsidiaries and joint venture has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v) No dividend has been declared and paid by the group and associate during the year.
- vi) Based on our examination, which include test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the feature of recording audit trail (edit log) facility was enabled in a phased manner between November-2023 to December-2023 and the same has not operated throughout the year for all relevant transactions recorded in the software

Further, for the period where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, its subsidiary Company and its Associate Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
3. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For, B. K. PATEL & CO**  
**Chartered Accountants**  
**Firm Regn No. 112647W**

**B. K. Patel**  
**Partner**

**Membership No.032199**  
**UDIN: 24032199BJZYQN6126**

**Ahmedabad**  
**30-05-2024**

## **ANNEXURE-“A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Dynamic Products Limited of even date.**

### **REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

In conjunction with our audit of the Consolidated Financial Statements of Group which includes Associate as of and for the year ended March 31, 2024, we have audited the internal financial controls over with reference to consolidated financial statements of the Holding Company, its subsidiary (the Holding Company and its subsidiary together referred to as “the Group”) and its Associate, which are companies incorporated in India, as of that date.

#### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding Company, its subsidiary company and associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **AUDITORS’ RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company, its subsidiary company and associate company, which are companies incorporated in India, internal financial controls over financial reporting with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

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

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

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

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

**OPINION**

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of our reports of, as referred to in Other Matters paragraph below, the Holding Company, its subsidiary company and associate company, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated Financial Statements and such internal financial controls over financial reporting with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**OTHER MATTERS**

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements is of the Holding Company.

**For, B. K. PATEL & CO**  
**Chartered Accountants**  
**Firm Regn No. 112647W**

**B. K. Patel**  
**Partner**  
**Membership No.032199**  
**UDIN: 24032199BJZYQN6126**

**Ahmedabad**  
**30-05-2024**

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2024**

(Amount in Rs. in Lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
<b>ASSETS :</b>			
<b>NON-CURRENT ASSETS :</b>			
Property, Plant & Equipments & Intangibale Assets			
Property, Plant & Equipments	4	24,433.57	25,902.01
Goodwill	5	29.11	29.11
Intangible assets	5	0.19	0.19
Investments accounted for using equity method	6	88.78	89.35
Financial Assets:			
Investments	6	9.62	9.62
Trade Receivables	7	-	-
Loans	10	1.81	0.16
Other Financial Assets	11	1,861.44	1,866.29
Other Non Current Assets	13	237.48	294.48
<b>TOTAL NON CURRENT ASSETS</b>		<b>26,662.01</b>	<b>28,191.21</b>
<b>CURRENT ASSETS:</b>			
Inventories	12	6,582.85	6,513.84
Financial Assets:-			
Investments			
Trade Receivables	7	5607.78	5,072.48
Cash and cash equivalents	8	19.29	72.84
Other Bank Balances	9	162.90	126.10
Loans	10	1.46	0.72
Other Financial Assets	11	20.41	38.34
Other Current Assets	13	912.68	1,207.93
<b>TOTAL CURRENT ASSETS</b>		<b>13,307.38</b>	<b>13,032.26</b>
<b>TOTAL -ASSETS</b>		<b>39,969.39</b>	<b>41,223.47</b>
<b>EQUITIES AND LAIBILITIES:</b>			
<b>EQUITY</b>			
Equity Share Capital	14.1	1,202.84	1,168.63
Other Equity	14.2	19,060.74	17,121.15
<b>EQUITY ATTRIBUTABLE TO OWNERS</b>		<b>20,263.58</b>	<b>18,289.77</b>
<b>Non Controlling Interest</b>		<b>7.15</b>	<b>7.03</b>
<b>TOTAL EQUITY</b>		<b>20,270.74</b>	<b>18,296.81</b>
<b>LAIBILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
<b>Financial Liabilities</b>			
Borrowings	15	3,376.90	6,601.03
Trade Payables	16	-	-
Total outstanding dues of micro and small enterprise		-	-
Total outstanding dues of creditors other than micro and small enterprise		122.22	289.58
Provisions	18	38.37	49.86
Other Financial Liabilities	17	0.43	0.17
Deferred Tax Liabilities(Net)	21	1,038.70	1,104.49
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>4,576.64</b>	<b>8,045.14</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	15	8,076.51	8,195.56
Trade Payables	16	-	-
Total outstanding dues of micro and small enterprise		2,122.09	2,570.30
Total outstanding dues of creditors other than micro and small enterprise		4578.02	3,636.28
Other Financial Liabilities	17	96.80	7.77
Provisions	18	121.21	194.73
Current Tax Liabilities	19	2.26	2.17
Other Current Liabilities	20	125.12	274.72
<b>TOTAL CURRENT LIABILITIES</b>		<b>15,122.01</b>	<b>14,881.53</b>
<b>TOTAL LIABILITIES</b>		<b>19,698.65</b>	<b>22,926.67</b>
<b>TOTAL - EQUITIES AND LIABILITIES</b>		<b>39,969.39</b>	<b>41,223.47</b>

The accompanying Notes form an integral part of the Consolidation Balance Sheet.  
As per our report of even date

For, B. K. PATEL & CO.  
Chartered Accountants  
FRN :- 112647W

CA B. K. Patel  
Partner  
Membership No.032199

Place : Ahmedabad.

Date : 30.05.2024

For and on Behalf of  
DYNEMIC PRODUCTS LIMITED

B. K. Patel  
Managing Director

R. B. Patel

Director

Place : Ahmedabad.  
Date : 30.05.2024

D. B. Patel  
Director

Ankit Shah

Chief Financial Officer

Varsha Mehta  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2024** (Amount in Rs. in Lakhs)

Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
Revenue from Operations	22	28,404.48	29,590.85
Other Income	23	68.83	38.31
<b>Total Income</b>		<b>28,473.31</b>	<b>29,629.16</b>
<b>EXPENSES :</b>			
Cost of Materials Consumed	24	13,537.90	16,122.01
Purchases of Stock-in-Trade	25	874.44	628.25
Changes in Inventories	26	(126.60)	(1,228.77)
Employee Benefits Expenses	27	1,988.83	1,929.90
Finance Costs	28	1,289.28	1,610.75
Depreciation & Amortisations	29	1,668.40	1,674.85
Other Expenses	30	8,930.91	9,264.22
<b>Total Expenses</b>		<b>28,163.17</b>	<b>30,001.20</b>
<b>Profit Before Share Of Profit / (Loss) Of Associates And Joint Ventures, Exceptional Item And Tax</b>		<b>310.14</b>	<b>(372.04)</b>
<b>Share of Profit / (Loss) of Associates and Joint Ventures</b>		<b>(0.57)</b>	<b>0.65</b>
<b>Profit Before Tax</b>		<b>310.70</b>	<b>(371.39)</b>
<b>Income Tax Expense</b>	<b>31</b>		
Current Tax		2.26	5.75
Deferred Tax		(64.41)	(83.50)
Add/ (Less):- Taxation of earlier years (Refunds/Paid)		10.96	-
<b>Total Tax Expense</b>		<b>(51.18)</b>	<b>(77.75)</b>
<b>Net Profit for the Year</b>		<b>361.89</b>	<b>(293.66)</b>
<b>Other Comprehensive Income</b>			
Items that will not be Reclassified to Profit or Loss	36	22.10	(6.48)
Remeasurements on Post-employment Defined Benefit Plans			
Income Tax on Above	31	0.00	0.00
<b>Total Other Comprehensive Income, Net of Tax</b>		<b>22.10</b>	<b>(6.48)</b>
<b>Total Comprehensive Income for the Year</b>		<b>383.99</b>	<b>(300.14)</b>
<b>Profit Attributable to:</b>			
Owners of the Company		361.76	(293.97)
Non Controlling Interest		0.12	0.31
		361.89	(293.66)

  

Particulars	Note	For the year ended Sunday, March 31, 2024	For the year ended Friday, March 31, 2023
<b>Other Comprehensive Income Attributable to:</b>			
Owners of the Company		22.10	(6.48)
Non Controlling Interest		0.00	0.00
		22.10	(6.48)
<b>Total Comprehensive Income Attributable to:</b>			
Owners of the Company		383.86	(300.45)
Non Controlling Interest		0.12	0.31
		383.99	(300.14)
<b>Earnings per Equity Share (Nominal Value Rs. 10/- per Share)</b>	<b>32</b>		
Basic		3.49	(2.57)
Diluted		3.46	(2.65)

The accompanying Notes form an integral part of the Consolidation Balance Sheet.  
As per our report of even date

For, B. K. PATEL & CO.  
Chartered Accountants  
FRN :- 112647W

CA B. K. Patel  
Partner  
Membership No.032199

Place : Ahmedabad.

Date : 30.05.2024

For and on Behalf of  
DYNEMIC PRODUCTS LIMITED

B. K. Patel  
Managing Director

R. B. Patel

Director

Place : Ahmedabad.  
Date : 30.05.2024

D. B. Patel  
Director

Ankit Shah

Chief Financial Officer

Varsha Mehta  
Company Secretary

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2024

### A. Equity Share Capital

(Amount in Rs. in Lakhs)

Particulars	No. of Shares	Amount
<b>Balance as at 1st April 2022</b>	<b>11,328,449</b>	<b>1,132.84</b>
Changes in equity share capital during the year		
349938 Equity share fully paid up of Rs.10 each	349,938	34.99
15726 Equity share partly paid up of Rs.5 each	15,726	0.79
<b>Balance as at 31st March 2023</b>	<b>11,694,113</b>	<b>1,168.63</b>
Changes in equity share capital during the year		
350000 Equity share fully paid up of Rs.10 each	350,000	35.00
15726 Forfeited equity share partly paid up of Rs.5 each	(15,726)	(0.79)
<b>Balance as at 31st March 2024</b>	<b>12,028,387</b>	<b>1,202.84</b>

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

Particulars	Securities Premium	General Reserve	Retained Earnings	Capital Reserve	Warrants	Total
<b>As at 1st April, 2022</b>	<b>1,036.80</b>	<b>502.18</b>	<b>14,375.98</b>	-	-	<b>15,914.96</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Add: Addition during the year (Net)	1,506.64	-	(293.97)	-	-	1,212.67
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans	-	-	(6.48)	-	-	(6.48)
<b>Total Comprehensive Income for the Year</b>	<b>2,543.44</b>	<b>502.18</b>	<b>14,075.52</b>	-	-	<b>17,121.15</b>
Dividends	-	-	-	-	-	-
<b>As at 31st March, 2023</b>	<b>2,543.44</b>	<b>502.18</b>	<b>14,075.52</b>	-	-	<b>17,121.15</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Add: Addition during the year (Net)	959.60	-	361.76	17.69	578.44	1,917.50
Other Comprehensive Income (Net of Tax) -Remeasurements on Post employment Defined Benefit Plans	-	-	22.10	-	-	22.10
<b>Total Comprehensive Income for the Year</b>	<b>3,503.05</b>	<b>502.18</b>	<b>14,459.39</b>	<b>17.69</b>	<b>578.44</b>	<b>19,060.74</b>
Dividends	-	-	-	-	-	-
<b>As at 31st March, 2024</b>	<b>3,503.05</b>	<b>502.18</b>	<b>14,459.39</b>	<b>17.69</b>	<b>578.44</b>	<b>19,060.74</b>

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

As per our report of even date

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

Chartered Accountants

FRN :- 112647W

**CA B. K. Patel**

Partner

Membership No.032199

Place : Ahmedabad.

Date : 30.05.2024

**For and on Behalf of**

DYNEMIC PRODUCTS LIMITED

**B. K. Patel**

Managing Director

**R. B. Patel**

Director

Place : Ahmedabad.

Date : 30.05.2024

**D. B. Patel**

Director

**Ankit Shah**

Chief Financial Officer

**Varsha Mehta**

Company Secretary



**CONSOLIDATE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2024**

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>A. Cash Flows from Operating Activities</b>		
<b>Profit before Tax</b>	<b>310.70</b>	<b>(371.40)</b>
Adjustments for:		
Share of net profit/(loss) of Associates	0.57	(0.65)
Depreciation and Amortisation Expense	1,668.40	1,674.84
Finance Costs	1,289.28	1,610.75
Bad Debts/Advances/ Creditors Written Off	0.00	2.20
Interest Income Classified as Investing Cash Flows	(23.49)	(19.99)
Net Gain on Investments Carried at Fair Value through Profit or Loss	2.37	0.00
(Gain)/Loss on Disposal of Property, Plant and Equipment (Net)	0.00	(0.10)
Foreign Exchange Differences (Net)	(26.08)	(260.83)
<b>Operating Profit before Changes in Operating assets and Liabilities</b>	<b>3,221.74</b>	<b>2,634.82</b>
<b>Changes in Operating Assets and Liabilities</b>		
Increase/(Decrease) in Trade Payables	326.17	1,032.74
Increase/(Decrease) in Other Financial Liabilities	(1.00)	0.28
Increase/(Decrease) in Provisions	(72.72)	8.00
Increase/(Decrease) in Other Current Liabilities	(124.55)	214.23
(Increase)/Decrease in Inventories	(69.00)	(1,308.83)
(Increase)/Decrease in Trade Receivables	(535.30)	(370.27)
(Increase)/Decrease in Loans	(2.39)	2.49
(Increase)/Decrease in Other Financial Assets	(54.50)	(215.99)
(Increase)/Decrease in Other Non-current Assets	56.99	37.28
(Increase)/Decrease in Other Current Assets	293.11	453.87
<b>Cash Generated from Operations</b>	<b>(183.19)</b>	<b>(146.20)</b>
<b>Income Taxes Paid</b>	<b>(11.19)</b>	<b>(11.78)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>3,027.37</b>	<b>2,476.84</b>
<b>B. Cash Flows from Investing Activities</b>		
Payments for Acquisition of Property, Plant, Equipment	(278.39)	(92.93)
Proceeds on Investment	45.74	0.00
Proceeds on Disposal of Property, Plant and Equipment	3.48	0.10
Proceeds as Capital subsidy on Fixed Assets	68.20	0.00
Interest Received	18.69	19.99
Proceeds from Maturity of Deposits with Banks	77.80	13.49
Payments for Placing of Deposits with Banks	0.00	(20.01)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(64.48)</b>	<b>(79.36)</b>
<b>C. Cash Flows from Financing Activities:</b>		
Finance Costs Paid	(1,289.28)	(1,610.75)
Proceeds from Right issue (Net)	0.00	1,542.42
Proceeds from Preferential equity shares (Net)	1,011.51	0.00
Proceeds from Warrants (Net)	578.44	0.00
Proceeds from Long-term Borrowings	(3,200.67)	(2,260.88)
Short-term Borrowings - Receipts/(Payments)	(142.52)	(293.03)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(3,042.52)</b>	<b>(2,622.24)</b>
<b>D. Exchange Differences on Translation of Foreign Currency</b>	<b>26.08</b>	<b>260.83</b>
<b>Cash and Cash Equivalents</b>		
<b>Net Cash (Outflow)/ Inflow</b>	<b>(53.55)</b>	<b>36.07</b>
Cash and Cash Equivalents - Opening (Refer Note 8)	72.84	36.76
Cash and Cash Equivalents - Closing (Refer Note 8)	19.29	72.84

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

2) Changes in liabilities arising from financing activities  
(Amount in Rs. in Lakhs)

Particulars	4/1/2023	Cash Inflow	Other Adujtmnts	3/31/2024
Long-Term Borrowings (Including Current Matuaties of Long Term Debt)	9,848.31	(3,200.67)	-	6,647.64
Short-Term Borrowings	4,948.29	(432.52)	-	4,515.77
Total Borrowings	14,796.60	(3,633.19)	-	11,163.41
Finance Costs paid		(1,289.28)		(1,289.28)

Particulars	4/1/2022	Cash Inflow	Other Adujtmnts	3/31/2023
Long-Term Borrowings (Including Current Matuaties of Long Term Debt)	12,109.19	(2,260.88)	-	9,848.31
Short-Term Borrowings	5,263.82	(315.53)	-	4,948.29
Total Borrowings	17,373.01	(2,576.41)	-	14,796.60
Finance Costs paid		(1,610.75)		(1,610.75)

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

As per our report of even date

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

Chartered Accountants

FRN :- 112647W

**CA B. K. Patel**

Partner

Membership No.032199

Place : Ahmedabad.

Date : 30.05.2024

**For and on Behalf of**

DYNEMIC PRODUCTS LIMITED

**B. K. Patel**

Managing Director

**R. B. Patel**

Director

Place : Ahmedabad.

Date : 30.05.2024

**D. B. Patel**

Director

**Ankit Shah**

Chief Financial Officer

**Varsha Mehta**

Company Secretary

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

### 1. Group Background

The consolidated financial statements comprise financial statements of Dynamic Products Limited (the holding company) and its subsidiaries (holding and subsidiary companies collectively, the Group) for the year ended 31st March 2024. Dynamic Products Limited (the 'Parent Company') is a public limited company, incorporated with its CIN: L24100GJ1990PLC013886 and domiciled in India. The equity shares of the Company are listed on the National Stock Exchange of India Limited and the BSE Limited in India. The registered office of the Company is located at B-301, Satyamev-I, Opp. Gujarat High Court, S G Road, Sola, Ahmedabad-380060, Gujarat, India. The Parent Company and its subsidiary, Cerecon Bio Sciences Private Limited ( Formerly known as Dynamic Overseas India Pvt Ltd ) & its associates Dynamic Holdings Pvt Ltd, (collectively referred to as "the Group") is mainly engaged in the business of manufacturing and selling of Dyes & Dye Intermediates as single operational segment. The consolidated financial statements were approved and authorized for issue in accordance with the resolution of the Company's Board of Directors on 30th May, 2024.

### 2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of the consolidated financial statements. These policies have been consistently applied to all through the year presented, unless otherwise stated.

(a) Basis of Preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other provisions of the Act.

(ii) Basis of Measurement

The consolidated financial statements have been prepared on accrual basis and under historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit plans - plan assets measured at fair value.
- All amounts disclosed in the consolidated financial statements and notes have been present in INR and have been rounded off to the nearest Rupee in Lakhs as per the requirement of Schedule-III, unless otherwise stated.

(iii) Current versus Non-Current Classification

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

An asset is classified as current when it is:

- a) expected to be realized or intended to be sold or consumed in the normal operating cycle,
- b) held primarily for the purpose of trading,
- c) expected to be realized within twelve months after the reporting period, or
- d) cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current. A liability is classified as current when:

- a) it is expected to be settled in the normal operating cycle,
- b) it is held primarily for the purpose of trading,
- c) it is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current.

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

(b) Principal of Consolidation:-

The consolidated financial statements relate to Dynamic Products Limited ('the Company') and its subsidiary company, and associate. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Company and its subsidiary are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (ii) The excess of cost to the Company of its investments in the subsidiary company over its share of equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognized as "Goodwill "being an assets in the consolidated financial statements.
- (iii) Minority interest in the net assets of standalone subsidiary consist of the amount of equity attributable to the minority shareholders

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

at the dates on which investments are made by the Company and further movements in their share in the equity, subsequent to the dates of investments.

- (iv) Investment in Associate has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures.
- (v) The Company accounts for its share of post-acquisition changes in net assets of associates, after eliminating unrealized profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Profit and Loss Statement, to the extent such change is attributable to the associates' Profit and Loss Statement and through its reserves for the balance based on available information.
- (vi) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- (c) Significant accounting estimates, assumptions and judgments

The preparation of consolidated Financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated Financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

### Estimates and assumptions

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

### The areas involving critical estimates or judgments are:

#### Employee Benefits (Estimation of Defined Benefit Obligation)

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

#### Estimation of Expected Useful Life of Property, Plant and Equipment

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

### Contingencies

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/ claim, the jurisdiction and the differences in applicable law. The Group consults with legal counsel and other experts on matters related to specific litigations where considered necessary. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible or an estimate is not determinable, the matter is disclosed.

### Valuation of Deferred Tax assets

Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax bases that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred tax benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability.

#### (d) Summary of Significant accounting policies

##### 1. Revenue Recognition

Revenue from contract with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue from contract with

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

customer is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of taxes & duties and net of returns, trade discounts, rebates. The inter-divisional transfer between Unit-1, 2 and 3 of the company are deducted from respective sales & purchases, It has no impact on profit or loss.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Group and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

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

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

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

### **Other Operating Revenues**

Export entitlements under various schemes notified by government are recognized when the right to receive credit as per the terms of the schemes is established in respect of the exports made by the Group and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

### **Rent income**

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

### **Interest Income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### **Dividend**

Dividend is recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

## **2. Property, Plant and Equipment:**

Freehold/ GIDC Lease hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### **Depreciation Method, Estimated Useful Lives and Residual Values**

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over their estimated useful lives in accordance with Schedule II to the Act. Each component of an item of property, plant and equipment with a cost that is significant in relation to the cost of that item is depreciated separately if its useful life differs from the other components of the item.

### **Estimated useful lives of the assets are taken as per Schedule II of the Companies Act 2013, which is broadly defined as under:-**

Buildings - 3 to 60 years

Plant and equipment - 5 to 40 years

Furniture and Fixtures - 10 years

Vehicles - 8 to 10 years

Office Equipment - 3 to 6 years

Leasehold land is from GIDC and has not been amortized, as the lease cost has been fully paid. The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets.

## **3. Intangible Assets**

Intangible assets (Computer Software) has a finite useful life and are stated at cost less accumulated amortization and accumulated impair-

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

ment losses, if any.

### Computer Software

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

### Amortization Method and Period

Computer software are amortized on a pro-rata basis using the straight-line method over their estimated useful life of 5 years, from the date they are available for use. Amortization method and useful lives are reviewed periodically at each financial year end.

### 4. Impairment of Non-Financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Subsequently, if there is a change in the indication, since the last impairment was recognized, so that recoverable amount of an asset exceeds its carrying amount, an impairment recognized for an asset in prior accounting period is reversed for the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash generating units).

### 5. Leases

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

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

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

This is not applicable to GIDC Lease, as there is no periodic payments are made for uses of leased asset, which is GIDC Land. Land (Leasehold) is carried at cost less amortization; Leasehold land is amortized on the straight line method over the period of lease.

### 6. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost of inventories comprises cost of purchases and all other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on approximation average basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 7. Investments

#### a. Investments in Subsidiaries

Investments in subsidiaries are carried at cost less provision for impairment, if any. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of investments exceeds its recoverable amount.

#### b. Investments (other than Investments in Subsidiaries) and Other Financial Assets

##### (i) Classification

The Group classifies its financial assets in the following measurement categories:-

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. Though the Group do not have any debt instruments, but for investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

##### (ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

determining whether their cash flows are solely payment of principal and interest.

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

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

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

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

### 8. Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

#### 1. Amortized Costs

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt instrument that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired.

#### 2. Fair Value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognized in the profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in 'Other Income'.

#### 3. Fair value through Profit & Loss A/c

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss and presented net in the Statement of Profit and Loss within 'Other Income' in the period in which it arises.

### 9. Equity Instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognized in 'Other Income' in the Statement of Profit and Loss.

### 10. Impairment

#### a) Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note given herein after details how the Group determines whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables.

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

The Group assesses at each date of balance sheet whether a financial asset or a group of Financial Assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

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**Notes to Consolidated Financial Statements for the year ended 31st March, 2024****11. De-recognition of Financial Assets**

A financial asset is de-recognized only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**12. Fair Value of Financial Instruments**

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

- a. Derivative Instruments-  
Group has no Derivative Instruments during the year.
- b. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention of the management to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

**13. Trade Receivables**

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

**14. Cash and Cash Equivalents**

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with Banks and financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**15. Trade Payables**

Trade Payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**16. Borrowings**

Borrowings are recognized at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates. Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**17. Financial Guarantee Contracts**

Financial guarantee contracts are recognized as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 37 and the amount initially recognized less cumulative amortization, where appropriate.

**18. Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.



## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

Other borrowing costs are expensed in the period in which they are incurred.

### 19. Foreign Currency Transactions and Translation

#### (i) Functional and Presentation Currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee in Lakhs (Rs. in Lakhs), which is the Group's functional and presentation currency.

#### (ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognized in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### 20. Employee benefits

#### (i) Short Term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

#### (ii) Post-Employment Benefits

### Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity.

### Defined Contribution Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognized as expenses for the period in which the employee has rendered the service.

#### (iii) Other Long term Employee Benefits

The liabilities for leave which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

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

### 21. Income Tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax credits and to unused tax losses.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences, tax credits and losses.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

### 22. Provisions and Contingencies

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

### 23. Dividend

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

### 24. Earnings per Share

#### (i) Basic Earnings per Share

Basic earnings per share is calculated by dividing: -

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

#### (ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:-

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

### 25. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Managing Director of the Group. Presently Group has been working in single segment- Dyes & Dyes Intermediates.

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

### Group Information

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

The consolidated financial statements comprise the financial statements of the Parent Company and its wholly owned subsidiary company and its associates as detailed below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held by the Group and the proportion of ownership interests held equals the voting rights held by the Group.

Name of Entity	Place of Business/ Country of Incorporation	Proportion of ownership interest held by the group		Principal Business Activity
		2023-24	2022-23	
1) Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	India	98.10%	98.10%	Trading of Dyes Intermediates, & other chemicals. Also manufacturing and trading of Medical equipments, bulk drugs, and other Pharmaceutical items and its allied products.
2) Dynamic Holdings Private Limited	India	49.22%	49.22%	Investments in shares & securities

Name of Entity	As at 31st March, 2024		For the year ended 31st March, 2024		For the year ended 31st March, 2024		For the year ended 31st March, 2024	
	Net Assets, i.e Total Assets minus total Liabilities		Share in Profit & Loss A/c		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs
<b>Parent</b>								
Dynamic Products Limited	99.43%	20,157.06	98.46%	406.24	100.00%	22.10	98.54%	428.34
<b>Subsidiary</b>								
1) Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	0.57%	115.15		6.36	0.00%	0.00	1.46%	6.36
<b>Sub Total</b>		<b>20,272.21</b>		<b>412.59</b>		<b>22.10</b>		<b>434.70</b>
Inter Company elimination and Consolidation adjustments		(1.47)		(50.71)		0.00		(50.71)
<b>Grand Total</b>		<b>20,270.74</b>		<b>361.89</b>		<b>22.10</b>		<b>383.99</b>
<b>Minority Interest</b>		<b>7.15</b>		<b>0.12</b>		<b>0.00</b>		<b>0.12</b>

Name of Entity	As at 31st March, 2024		For the year ended 31st March, 2024		For the year ended 31st March, 2024		For the year ended 31st March, 2024	
	Net Assets, i.e Total Assets minus total Liabilities		Share in Profit & Loss A/c		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs	% in Consolidated Assets	Rs. In Lakhs
<b>Parent</b>								
Dynamic Products Limited	99.40%	18,138.77	104.59%	(360.69)	100.00%	(6.48)	104.50%	(367.17)
<b>Subsidiary</b>								
1) Cerecon Bio Sciences Private Limited (Formerly known as Dynamic Overseas (India) Pvt Ltd)	0.60%	108.80	-4.59%	15.81	0.00%	0.00	-4.50%	15.81
<b>Sub Total</b>		<b>18,247.57</b>		<b>(344.88)</b>		<b>(6.48)</b>		<b>(351.36)</b>
Inter Company elimination and Consolidation adjustments		<b>49.24</b>		<b>51.22</b>		<b>0.00</b>		<b>51.22</b>
<b>Grand Total</b>		<b>18,296.81</b>		<b>(293.66)</b>		<b>(6.48)</b>		<b>(300.14)</b>
<b>Minority Interest</b>		<b>7.03</b>		<b>0.31</b>		<b>0.00</b>		<b>0.31</b>

## Notes to Consolidated Financial Statements for the year ended 31st March, 2024

### 4 Property, Plant and Equipment

4.1 Reconciliation of Gross and Net Carrying Amount of Each Class of Assets		(Amount in Rs. in Lakhs)						
Particulars	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Office Equipments	Other Assets	Total
<b>Year ended 31st March, 2023</b>								
Gross Carrying Amount								
Opening Balance	1,338.98	10,529.83	19,206.70	191.86	118.13	74.43	-	31,459.94
Additions	1.94	36.24	372.51	6.13	-	4.42	-	421.23
Disposals	-	-	7.36	-	-	0.53	-	7.89
<b>Closing Balance</b>	<b>1,340.92</b>	<b>10,566.07</b>	<b>19,571.85</b>	<b>197.99</b>	<b>118.13</b>	<b>78.32</b>	<b>-</b>	<b>31,873.28</b>
<b>Accumulated Depreciation</b>								
Opening Balance	-	869.73	3,232.78	88.01	65.63	41.93	-	4,298.09
For the Year	-	339.87	1,298.68	11.80	12.13	12.36	-	1,674.85
On Disposals	-	-	1.14	-	-	0.52	-	1.66
<b>Closing Balance</b>	<b>-</b>	<b>1,209.60</b>	<b>4,530.32</b>	<b>99.81</b>	<b>77.76</b>	<b>53.77</b>	<b>-</b>	<b>5,971.27</b>
<b>Net Carrying Amount</b>	<b>1,340.92</b>	<b>9,356.47</b>	<b>15,041.53</b>	<b>98.17</b>	<b>40.37</b>	<b>24.56</b>	<b>-</b>	<b>25,902.01</b>
<b>Year ended 31st March, 2024</b>								
Gross Carrying Amount								
Opening Balance	1,340.92	10,566.07	19,571.85	197.99	118.13	78.32	-	31,873.28
Additions	-	9.42	240.26	0.44	12.56	3.57	-	266.25
Disposals	-	14.00	69.17	-	-	-	-	83.17
<b>Closing Balance</b>	<b>1,340.92</b>	<b>10,561.49</b>	<b>19,742.94</b>	<b>198.43</b>	<b>130.69</b>	<b>81.89</b>	<b>-</b>	<b>32,056.36</b>
<b>Accumulated Depreciation</b>								
Opening Balance	-	1,209.60	4,530.32	99.81	77.76	53.77	-	5,971.27
For the Year	-	341.48	1,282.84	11.91	12.49	11.93	-	1,660.64
On Disposals	-	0.43	8.70	-	-	-	-	9.13
<b>Closing Balance</b>	<b>-</b>	<b>1,550.65</b>	<b>5,804.46</b>	<b>111.72</b>	<b>90.26</b>	<b>65.70</b>	<b>-</b>	<b>7,622.78</b>
<b>Net Carrying Amount</b>	<b>1,340.92</b>	<b>9,010.84</b>	<b>13,938.47</b>	<b>86.71</b>	<b>40.43</b>	<b>16.20</b>	<b>-</b>	<b>24,433.57</b>

**4.2 Title deeds of Immovable Properties not held in name of the Company**

(Amount in Rs. in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE			NIL			

- 4.3 The Company has taken borrowings from banks which carry charge over certain property, plant and equipment ( Refer Note 42 for details).
- 4.4 Contractual obligations - Refer Note 35(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 4.5 Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).
- 4.6 Title deeds of immovable properties set out in Note 4.1 above, where applicable, are in the name of the Company.
- 4.7 Lease period of land at GIDC is 95 years. On expiry of the said lease term of 5 years, the Company has an option to renew the lease for a further period of 5 years which compnay is certain to exerise the option.
- 4.8 There is no Capital work in progress in current year as well as in previous year.

**5 Intangible Assets**

Particulars	Intangible Assets	Goodwill
<b>Year ended 31st March, 2023</b>		
<b>Gross Carrying Amount</b>		
Opening Balance	26.47	29.11
Additions	-	-
Disposals	-	-
<b>Closing Balance</b>	<b>26.47</b>	<b>29.11</b>
Accumulated Depreciation		
Opening Balance	26.28	-
For the Year	-	-
On Disposals	-	-
<b>Closing Balance</b>	<b>26.28</b>	-
<b>Net Carrying Amount</b>	<b>0.19</b>	<b>29.11</b>
<b>Year ended 31st March, 2024</b>		
Gross Carrying Amount		
Opening Balance	26.47	29.11
Additions	-	-
<b>Disposals</b>	-	-
Closing Balance	26.47	29.11
Accumulated Depreciation		
Opening Balance	26.28	-
For the Year	-	-
<b>On Disposals</b>	-	-
<b>Closing Balance</b>	<b>26.28</b>	-
<b>Net Carrying Amount</b>	<b>0.19</b>	<b>29.11</b>

- 5.1 The amortisation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 29).

**6 Investments**

Particulars	Face Value	Number	As at 31st March, 2024	As at 31st March, 2023
<b>Unquoted:</b>				
<b>Non-current Investments</b>				
<b>Investments in Equity Instruments (At amortised cost)</b>				
<b>INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD</b>				
<b>In Other Associates Body Corporates</b>				
* Dynamic Holding Pvt. Ltd.				
<b>(At Original Cost)</b>	10	1010000	101.00	101.00
Add/ Less: Share of Accumulated Profit/ Loss			(12.22)	(11.65)
<b>Net Investment in Associates</b>			<b>88.78</b>	<b>89.35</b>
<b>Non-current Investments</b>				
<b>Investments in Equity Instruments</b>				
<b>In Other Body Corporates</b>				
* Enviro Technology Ltd. Shares	10	15000	1.50	1.50
* Bharuch Enviro Infrastructure Ltd.	10	1750	0.18	0.18
* Bharuch Eco-Aqua Infra.Ltd	10	78450	7.85	7.85
* Ank.Res. &.Analy.Inf.Ltd.	10	1000	0.10	0.10
<b>TOTAL</b>			<b>9.62</b>	<b>9.62</b>
<b>Current Investments</b>				-
<b>TOTAL</b>			<b>98.40</b>	<b>98.97</b>

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

6.2 Aggregate amount of Investments

Particulars	As at 31st March, 2024	As at 31st March, 2023
Aggregate amount of Unquoted Investments	9.62	9.62
Aggregate amount of Quoted Investments	-	-
<b>Total Investments</b>	<b>9.62</b>	<b>9.62</b>

**7 Trade Receivables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Current</b>		
Unsecured Considered Good		
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	5607.78	5,072.48
(c) Trade Receivables which have significant increase in Credit Risk	-	-
d) Trade Receivables - credit impaired	-	-
Less: Allowance for Expected Credit Losses	-	-
<b>TOTAL</b>	<b>5607.78</b>	<b>5,072.48</b>

7.1 Refer Note 42 for receivables secured against borrowings and Note 40 for information about credit risk and market risk on receivables.

7.2 Trade Receivables ageing schedule (the previous year figures are in brackets)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5539.75	62.44	5.59	-	-	5607.78
	(5,058.40)	(14.07)	-	-	-	(5,072.48)
(ii) Undisputed Trade Receivables – which have significant increase in credit risk						
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>5539.75</b>	<b>62.44</b>	<b>5.59</b>	<b>-</b>	<b>-</b>	<b>5607.78</b>
	<b>(5,058.40)</b>	<b>(14.07)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,072.48)</b>

# similar information shall be given where no due date of payment is specified in that case disclosure shall be from the date of the transaction. Unbilled dues shall be disclosed separately”;

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Dues with Due Dates of Payments as per above table 7.2	5607.78	5,072.48
Outstanding Debtors where still the payment has not become Due	-	-
Outstanding Debtors still unbilled	-	-
<b>Total Trade Receivables as shown in above Note 7</b>	<b>5607.78</b>	<b>5,072.48</b>

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

8 Cash and Cash Equivalents

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks		
In Current Accounts	17.24	49.21
In Fixed Deposits	-	20.33
Cash on Hand	2.05	3.29
<b>TOTAL</b>	<b>19.29</b>	<b>72.84</b>

8.1 There are no repatriation restrictions with regard to Cash and Cash Equivalents as at the end of the current reporting period and prior periods.

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

9 Other Bank Balances

Particulars	As at 31st March, 2024	As at 31st March, 2023
Earmarked balances with banks		
- Unpaid Dividend Accounts	5.07	6.50
- Fixed Deposit held for guarantees (with original maturity of more than three months but less than twelve months) (Lodged with Government Authority/Others)	157.83	119.60
Accrued Interest on Fixed Deposits	-	-
<b>TOTAL</b>	<b>162.90</b>	<b>126.10</b>

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

10 Loans

Particulars	As at 31st March, 2024	As at 31st March, 2023
Non-current		
Loans to Employees		
(a) Loans Receivables considered good - Unsecured;	1.81	0.16
<b>TOTAL</b>	<b>1.81</b>	<b>0.16</b>
<b>Current (At Amortised Cost)</b>		
Loans to Employees		
(a) Loans Receivables considered good - Unsecured;	1.46	0.72
<b>TOTAL</b>	<b>1.46</b>	<b>0.72</b>

11 Other Financial Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Unsecured, Considered Good :		
Security Deposits	1,726.57	1,654.13
Fixed Deposits with Banks** (with Maturity of more than Twelve Months) (Lodged with Government Authority/Others)	134.88	210.94
Accrued Interest on Fixed Deposits**	-	1.21
<b>TOTAL</b>	<b>1,861.44</b>	<b>1,866.29</b>
<b>Current (At Amortised Cost)</b>		
Unsecured, Considered Good :		
Security Deposits	-	25.49
Interest Accrued on Electricity Deposits	20.41	12.85
<b>TOTAL</b>	<b>20.41</b>	<b>38.34</b>
**Financial Assets carried at Amortised Cost		

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

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



**12 Inventories**

Particulars	As at 31st March, 2024	As at 31st March, 2023
-Valued at Lower of Cost and Net Realisable Value		
Raw Materials	1,189.81	1,314.91
Packing Material	36.18	25.84
ETP stock	9.97	7.88
Fuel- Non Coking stock	186.50	131.43
Trading Materials	2.81	21.34
Work in progress	898.42	862.06
Finished Goods	4,210.96	4,141.44
Finished Goods (Captive)	48.18	8.94
<b>TOTAL</b>	<b>6,582.85</b>	<b>6,513.84</b>

12.1 Refer Note 42 for Information on Inventories Pledged as Security.

**13 Other Assets**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Unsecured, Considered Good :		
Capital Advances	168.89	214.63
Balances with Government Authorities @	3.80	3.80
Prepaid/Advance for Expenses	1.99	1.99
Advance to Suppliers/Service Providers (other than capital)	-	-
IT Refund Receivables ( AY 12-13, 13-14 & 20-21)	62.80	74.06
<b>TOTAL</b>	<b>237.48</b>	<b>294.48</b>
<b>Current</b>		
Unsecured, Considered Good :		
Export Entitlements Receivable	91.09	115.31
Balances with Government Authorities @	551.61	626.15
Advance to Suppliers/Service Providers (other than capital)	19.11	13.66
Capital Advances	10.42	11.46
Prepaid/Advance for Expenses	231.15	112.07
IT Refund Receivables ( AY 21-22)	-	321.08
Advance Income Tax Paid ( Included TDS & TCS)	9.31	8.20
<b>TOTAL</b>	<b>912.68</b>	<b>1,207.93</b>

@ Balances with Government Authorities primarily include amounts realisable from the GST and customs authorities of India and the unutilised GST input credits on purchases. These are generally realised within one year or regularly utilised to offset the GST liability on goods manufactured by the Company.

14.1 Equity Share Capital

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised Share Capital 13,000,000 (Previous Year- 1,30,00,000 ) Equity Share of Rs. 10/- each	1,300.00	1,300.00
<b>Issued and Subscribed share capital</b> 12,028,387 (Previous Year- 1,16,94,113) Equity Share of Rs. 10/- each @	1,203.63	1,169.41
<b>Subscribed and Partly paid up</b> 12,028,387 (Equity Shares of Rs. 10/- each fully paid up) @ - (Equity Shares of Rs. 5/- party paid up) @	1,202.84 -	1,167.84 0.79
<b>TOTAL</b>	<b>1,202.84</b>	<b>1,168.63</b>

@ Issued and subscribed capital has been increased by 3,50,000 equity shares as Preferential issue given at Rs.308.50/- per equity shares (Rs.10/- Face value and Rs.298.50/- share premium amount).

@ Issued and subscribed capital has been decreased by 15726 equity shares as shares forfeited during the year.

(a) The Company has one class of Equity Shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts in proportion to their shareholding.

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Balance as at 1st April 2022</b>	11,328,449	1,132.84
<b>Changes in equity share capital during the year</b> 349938 Equity share fully paid up of Rs.10 each 15726 Equity share partly paid up of Rs.5 each	349,938 15,726	34.99 0.79
<b>Balance as at 31st March 2023</b>	11,694,113	1,168.63
<b>Changes in equity share capital during the year</b> 350000 Equity share fully paid up of Rs.10 each 15726 Forfeited equity share partly paid up of Rs.5 each	350,000 (15,726)	35.00 (0.79)
<b>Balance as at 31st March 2024</b>	<b>12,028,387</b>	<b>1,202.84</b>

(c) Details of Shareholder holding more than 5% Equity Shares of the Company

Name of the Shareholders	As at 31st March 2024		As at 31st March 2023	
	Nos of Shares	% of Total Shares	Nos of Shares	% of Total Shares
Bhagwandas Kalidas Patel	1,267,541	10.54%	1,267,541	10.84%
Rameshkumar Bhagwandas Patel	713,993	5.94%	713,993	6.11%
<b>Total</b>	<b>1,981,534</b>	<b>16.47%</b>	<b>1,981,534</b>	<b>16.94%</b>

(d) Details of shares held by the promoter at the end of the year:

Shares held by promoters at the end of the year	As at 31st March 2024			As at 31st March 2023		
	Nos of Shares	% of Total Shares	% Change During the Year	Nos of Shares	% of Total Shares	% Change During the Year
Bhagwandas K Patel - HUF	71,925	0.60%	0.00%	71,925	0.62%	5.00%
Bhagwandas Kalidas Patel	1,267,541	10.54%	0.00%	1,267,541	10.84%	5.00%
Jayantilal K Patel	43,802	0.36%	0.00%	43,802	0.37%	196.00%
Rameshkumar Bhagwandas Patel	713,993	5.94%	0.00%	713,993	6.11%	5.00%
Kirtikumar Bhagwandas Patel	121,758	1.01%	0.00%	121,758	1.04%	5.00%
Vimalaben Bhagawandas Patel	337,497	2.81%	0.00%	337,497	2.89%	6.00%
Mukeshbhai B Patel	120,310	1.00%	0.00%	120,310	1.03%	5.00%
Vishnubhai Bhagwanbhai Patel	89,671	0.75%	0.00%	89,671	0.77%	5.00%
Dixit Bhagwandas Patel	185,502	1.54%	0.00%	185,502	1.59%	10.00%
Dalchhiben Bhagwanbhai Patel	43,155	0.36%	0.00%	43,155	0.37%	5.00%
Kaminiben Vishnubhai Patel	51,528	0.43%	0.00%	51,528	0.44%	5.00%
Chetnaben M Patel	138,600	1.15%	0.00%	138,600	1.19%	5.00%
Mittal Dixit Patel	33,600	0.28%	0.00%	33,600	0.29%	5.00%
Kantilal Kalidas Patel	55,150	0.46%	0.00%	55,150	0.47%	0.00%
Hansaben Rameshbhai Patel	31,021	0.26%	0.00%	31,021	0.27%	5.00%
Bhagvatiben Kirtibhai Patel	45,638	0.38%	0.00%	45,638	0.39%	5.00%
Sachin R Patel	20,038	0.17%	0.00%	20,038	0.17%	5.00%
Dixit Bhagwandas Patel Huf	12,180	0.10%	0.00%	12,180	0.10%	5.00%
Dynemic Holdings Private Limited	156,320	1.30%	0.00%	156,320	1.34%	0.00%
<b>Total</b>	<b>3,539,229</b>	<b>29.42%</b>		<b>3,539,229</b>	<b>30.27%</b>	

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

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

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

14.2 Other Equity

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Securities Premium Account</b>		
Opening Balance	2,543.44	1,036.80
Add : Premium received on issue of equity shares	1,027.84	1,574.32
Less : Share issue expenses adjusted against Security Premium	68.24	67.68
<b>Closing Balance</b>	<b>3,503.05</b>	<b>2,543.44</b>
<b>General Reserve</b>		
Opening Balance	502.18	502.18
Less: Utilised / Transfer during the year	-	-
<b>Closing Balance</b>	<b>502.18</b>	<b>502.18</b>
<b>Retained Earnings</b>		
Opening Balance	14,075.52	14,375.98
Profit for the Year	361.76	(293.97)
Items of Other Comprehensive Income recognised directly in Retained Earnings		
Remeasurements on Post-employment Defined Benefit Plans, Net of Tax	22.10	(6.48)
Transfer to General Reserve	-	-
<b>Closing Balance</b>	<b>14,459.39</b>	<b>14,075.52</b>
<b>Capital Reserve</b>		
Opening Balance	-	-
Add: Addition during the year	17.69	-
Less: Capital Reserve used during the year	-	-
<b>Closing Balance</b>	<b>17.69</b>	<b>-</b>
<b>Warrants</b>		
Opening Balance	-	-
Add: Warrants issued during the year	578.44	-
Less: Shares issued against warrants	-	-
<b>Closing Balance</b>	<b>578.44</b>	<b>-</b>
<b>Total Other Equity</b>	<b>19,060.74</b>	<b>17,121.15</b>

**Nature and purpose of each Reserve**

**Securities Premium Account**

Securities Premium Account is used to record premium received on issue of shares. This reserve may be utilised in accordance with the provisions of Section 52 of the Act.

During the year Company has issued 3,50,000 equity shares as Preferential issue at Rs.308.50/- per equity shares (Rs.10/- Face value and Rs.298.50/- share premium amount) aggregating to Rs.1079.75 Lakhs.

Partly paid 15,726 equity shares were forfeited during the year and amount received of Rs. 17.69 Lakhs transferred to Capital Reserve

**General Reserve**

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

15 Borrowings

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
<b>Secured</b>		
<b>* HDFC Bank Ltd.- Car Loans</b>	7.43	10.13
(Secured against the specific cars)		
Defaults:- NIL		
Terms of Repayment - 60 Monthly instalments		
Principal Amount- Rs. 14.00		
Date of start of repayments- 05/09/2021		
Nos of Installments- 36 monthly installments		
Due Date of Last Installment- 05/08/2026		
Rate of Interest- 13.06%		
Less: Current Maturities of Long-term Debt	2.91	2.70
<b>* HDFC Bank Ltd.- Car Loans</b>	10.44	-
(Secured against the specific cars)		
Defaults:- NIL		
Terms of Repayment - 60 Monthly instalments		
Principal Amount- Rs. 10.72		
Date of start of repayments- 05/02/2024		
Nos of Installments- 60 monthly installments		
Due Date of Last Installment- 05/01/2029		
Rate of Interest- 9.15%		
Less: Current Maturities of Long-term Debt	1.80	-
<b>Net Non Current Amount</b>	<b>13.16</b>	<b>7.43</b>
<b>* Citi Bank N.A.-- Term Loan FCTL-1</b>	1,388.13	2,281.91
Defaults:- NIL		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
Principal Amount- Total Amt.USD 5674526.54 equivalent of INR 4000.00 LACS		
Principal Amount-1- USD 2870264.06 equivalent of INR 2000.00 LACS		
Date of start of repayments- 29/08/2020		
Nos of Installments- 20 Quarterly installments		
Due Date of Last Installment- 29/05/2025		
Rate of Interest- 5.60%		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
Principal Amount-2- USD 2804262.48 equivalent of INR 2000.00 LACS		
Date of start of repayments- 31/03/2021		
Nos of Installments- 20 Quarterly installments		
Due Date of Last Installment- 31/12/2025		
Rate of Interest- 5.30%		
Less: Current Maturities of Long-term Debt	927.22	913.83
<b>* Citi Bank N.A.-- Term Loan FCTL-2</b>	1,116.12	1,650.00
Defaults:- NIL		
Terms of Repayment - 16 Quarterly Intallments after 12 months moratorium		
Principal Amount- USD 2732240.44 equivalent of INR 2000.00 LACS		
Date of start of repayments- 30/06/2022		
Nos of Installments- 16 Quarterly installments		
Due Date of Last Installment- 30/03/2026		
Rate of Interest- 4.00%		
Less: Current Maturities of Long-term Debt	558.06	550.00
<b>Net Non Current Amount</b>	<b>1,018.97</b>	<b>2,468.08</b>

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>* HDFC Bank-- Term Loan</b>	1,600.00	2,400.00
Defaults:- NIL		
Terms of Repayment - 20 Quarterly Intallments after 12 months moratorium		
Principal Amount- INR 4000.00 LACS		
Date of start of repayments- 01/07/2021		
Nos of Installments- 20 Quarterly installments		
Due Date of Last Installment- 17/03/2026		
Rate of Interest- 3_M_T_BILL + 4.40% or 11.30% p.a.		
Less: Current Maturities of Long-term Debt	800.00	800.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)</b>	642.08	977.08
Defaults:- NIL		
Terms of Repayment - 48 Monthly Intallments after 12 months moratorium		
Principal Amount- INR 1340.00 LACS		
Date of start of repayments- 01/04/2022		
Nos of Installments- 48 Monthly installments		
Due Date of Last Installment- 27/02/2026		
Rate of Interest- 3_M_T_BILL + 0.85% or 7.75% p.a.		
Less: Current Maturities of Long-term Debt	335.00	335.00
<b>* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)</b>	1,883.44	2,529.19
Defaults:- NIL		
Terms of Repayment - 48 Monthly Intallments after 12 months moratorium		
Principal Amount- INR 2583.00 LACS		
Date of start of repayments- 01/04/2023		
Nos of Installments- 48 Monthly installments		
Due Date of Last Installment- 01/03/2027		
Rate of Interest- 3_M_T_BILL + 1.20% or 8.10% p.a.		
Less: Current Maturities of Long-term Debt	645.75	645.75
<b>Net Non Current Amount</b>	<b>2,344.77</b>	<b>4,125.52</b>
<b>TOTAL NON CURRENT AMOUNT</b>	<b>3,376.90</b>	<b>6,601.03</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**
**(Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Current Secured</b>		
Loans Repayable on Demand from Banks*		
Bill Discounting Facilities- PCFC		
* Citi Bank N.A.	1,345.38	2,008.28
* HDFC BANK	416.75	442.93
Cash Credit/Export Credit Facilities		
* Citi Bank N.A.	730.36	287.59
* Citibank NA (WCDL A/C)		
* Axis Bank Ltd.	597.79	692.13
* HDFC Bank Ltd (C/C A/C)	1,425.50	1,517.36
* HDFC BankLtd. (WCDL A/C)	-	-
<b>Loans Repayable on Demand from Banks Total</b>	<b>4,515.77</b>	<b>4,948.29</b>
Current Maturities of Long-term Debt		
* HDFC Bank Ltd.- Car Loans	4.71	2.70
* Citi Bank N.A.-- Term Loan FCTL-1	927.22	913.83
* Citi Bank N.A.-- Term Loan FCTL-2	558.06	550.00
* HDFC Bank-- Term Loan	800.00	800.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	335.00	335.00
* HDFC Bank Ltd (GECL) Loan-Term Loan-INR)	645.75	645.75
<b>Current Maturities of Long-term Debt Total</b>	<b>3,270.74</b>	<b>3,247.27</b>
<b>Unsecured</b>		
Loan from Directors	190.00	-
Loan from Others	100.00	-
<b>TOTAL CURRENT AMOUNT</b>	<b>8,076.51</b>	<b>8,195.56</b>

**15.1 Refer Note No. 38 for Related parties transaction.**
**\*Secured -**

- By a first pari passu charge by way of hypothecation of the Company's entire current assets (for Company's Unit-1 Unit-2 situated at GIDC Ankleshwar), namely, stocks of raw materials, semi-finished and finished goods and articles stores and spares not relating to plant and machinery (consumable stores and spares), Bills receivable and Book debts and all other movable of the Company both present and future but excluding such movables as may be permitted by the said Banks from time to time;
- By pari passu charge of CitiBank N.A., Axis Bank & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-1 & Unit-2 situated at GIDC, Ankleshwar & Registered Office situated at Ahmedabad ) including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By pari passu charge of CitiBank N.A. & HDFC Bank on the Company's immovable & movable fixed assets (for Company's Unit-3 situated at GIDC, Dahej including movable plant and machinery, machinery spares, tools and accessories, electrical and other equipments etc, (save and except the current assets which are already hypothecated/to be hypothecated in favour of the said Banks as and by way of first charge) lying and/or stored and/or situated at the Company's different units, godowns/factories and/or premises or in the possession of any third party or in course of transit or delivery and also all documents of title, negotiable instruments, policies of insurance and other documents and instruments relating thereto subject and/or sub-servient to the first and/or the prior charge holders for securing their respective Term Loans and/or facilities.
- By personal guarantee of directors Shri Bhagwandas K Patel, Shri Ramesh B Patel, & Shri Dixit B Patel.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**
**(Amount in Rs. in Lakhs)**

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

Quarter Ended	Particulars	Amount as per books of account	"Amount as reported in the quarterly return/statement"	Amount of difference	Reason for differences
Jun-23	Inventory	7,821.88	7,821.88	-	Trade Receivable submitted to Bank considering Net of Advance.
	Trade Receivables	4,687.76	4,434.00	253.75	
Sep-23	Inventory	6,360.73	6,375.25	-14.52	
	Trade Receivables	4,422.58	4,409.55	13.03	
Dec-23	Inventory	6,636.36	6,619.60	16.76	
	Trade Receivables	5,672.59	5,389.92	282.66	
Mar-24	Inventory	6,582.85	6,582.85	-	
	Trade Receivables	5,598.89	5,506.49	-	

15.1 Refer Note 42 for details of carrying amount of assets pledged/ hypothecated as security for secured borrowings and Note 40 for information about liquidity risk and market risk on borrowings.

**16 Trade Payables**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Trade Payables		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	-	-
Dues of Creditors other than Micro Enterprises and Small Enterprises	122.22	289.58
<b>TOTAL</b>	<b>122.22</b>	<b>289.58</b>
<b>Current</b>		
Trade Payables		
Dues of Micro Enterprises and Small Enterprises (Refer Note 33)	2,122.09	2,570.30
Dues of Creditors other than Micro Enterprises and Small Enterprises	4578.02	3,636.28
<b>TOTAL</b>	<b>6700.11</b>	<b>6,206.58</b>

16.1 Refer Note 40 for information about liquidity risk and market risk on trade payables.

**16.2 Trade Payables ageing schedule**

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>i) MSME</b>	2,122.09	-	-	-	2,122.09
	(2,570.30)	-	-	-	(2,570.30)
<b>(ii) Others</b>	4578.02	51.45	70.77	-	4700.24
	(3,636.28)	(289.58)	0.00	0.00	(3,925.87)
<b>(iii) Disputed dues – MSME</b>	-	-	-	-	0.00
	-	-	-	-	0.00
<b>(iv) Disputed dues - Others</b>	-	-	-	-	0.00
	-	-	-	-	0.00
<b>Total FY 23-24</b>	<b>6700.11</b>	<b>51.45</b>	<b>70.77</b>	<b>-</b>	<b>6822.33</b>
<b>Total FY 22-23</b>	<b>(6,206.58)</b>	<b>(289.58)</b>	<b>0.00</b>	<b>0.00</b>	<b>(6,496.16)</b>

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



**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**
**(Amount in Rs. in Lakhs)**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Total Dues with Due Dates of Payments as per above table 16.2	6822.33	6,496.16
Outstanding Payables where still the payment has not become Due	-	-
Outstanding Payables still unbilled	-	-
<b>Total Trade Payables as shown in above Note 16</b>	<b>6822.33</b>	<b>6,496.16</b>

**17 Other Financial Liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Other Sundry Creditors Payable for Expenses	0.01	0.01
Security Deposits- Employee Bonds	0.42	0.16
<b>TOTAL</b>	<b>0.43</b>	<b>0.17</b>
<b>Current</b>		
Business Credit card	91.73	-
Unpaid Dividends (refer Note No.17.1 below)	5.07	6.50
Security Deposits- Employee Bonds	-	1.27
<b>TOTAL</b>	<b>96.80</b>	<b>7.77</b>

17.1 There are no due for transfer to the Investor Education and Protection Fund during the year as at the Balance Sheet date.

**18 Provisions**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Non-current</b>		
Provisions for Employee Benefits (Refer Note 36)	38.37	49.86
<b>TOTAL</b>	<b>38.37</b>	<b>49.86</b>
<b>Current</b>		
Provision For Expenses	8.51	8.91
Provisions for Employee Salary & Benefits (Refer Note 36)	112.70	185.82
<b>TOTAL</b>	<b>121.21</b>	<b>194.73</b>

**19 Current Tax Liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Tax Expense Recognised in Profit or Loss		
<b>Current Tax</b>		
Current Tax Liabilities	2.26	2.17
<b>B. Tax on Other Comprehensive Income</b>		
<b>Current Tax</b>		
Remeasurements on Post-employment Defined Benefit Plans	-	-
<b>TOTAL</b>	<b>2.26</b>	<b>2.17</b>

**20 Other Current Liabilities**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Dues Payable to Government Authorities @	40.50	17.19
Advances from Customers	84.62	257.53
<b>TOTAL</b>	<b>125.12</b>	<b>274.72</b>

@ Dues Payable to Government Authorities comprise GST, sales tax, excise duty, withholding taxes, payroll taxes, service tax, value added tax, entry tax and other taxes payable.

**21 Deferred Tax Liabilities (Net)**

Significant Movements Deferred Tax Assets and Liabilities during the year.

Particulars	As at 31st March, 2023	Recognised in Profit & Loss	As at 31st March, 2024
Property, Plant and Equipment and Intangible Assets Financial Assets at Fair Value through Profit or Loss - Investments	1,187.99	312.22	1,500.21
<b>Total Deferred Tax Liabilities</b>	<b>1,187.99</b>	<b>312.22</b>	<b>1,500.21</b>
Unabsorbed Loss	(83.50)	(378.00)	(461.50)
<b>Total Deferred Tax Assets</b>	<b>(83.50)</b>	<b>(378.00)</b>	<b>(461.50)</b>
<b>Net Deferred Tax Liabilities (Assets)</b>	<b>1,104.49</b>	<b>(65.78)</b>	<b>1,038.70</b>

Particulars	As at 31st March, 2022	Recognised in Profit & Loss	As at 31st March, 2023
Property, Plant and Equipment and Intangible Assets	1,187.98	0.01	1,187.99
<b>Total Deferred Tax Liabilities</b>	<b>1,187.98</b>	<b>0.01</b>	<b>1,187.99</b>
Unabsorbed Loss	-	(83.50)	(83.50)
<b>Total Deferred Tax Assets</b>	<b>-</b>	<b>(83.50)</b>	<b>(83.50)</b>
<b>Net Deferred Tax Liabilities (Assets)</b>	<b>1,187.98</b>	<b>(83.50)</b>	<b>1,104.49</b>

**22 Revenue from Operations**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Sale of Products *</b>		
<b>Manufactured Goods</b>		
Dyes & Intermediates	7,554.92	5,453.28
Synthetic Food Colours	19,307.45	22,575.23
<b>Trading Goods</b>	1,109.21	826.60
<b>Net Product Sales</b>	<b>27,971.58</b>	<b>28,855.11</b>
*(The above sales are net of (exclusive of) Inter Branch/ Unit Transfer)		
<b>Other Operating Revenues</b>		
Discounts Others	0.63	-
Export Incentive Income	399.29	446.65
Foreign Exchange Gain & Loss- Exports & Imports	26.08	262.39
Rates & Quality Difference	-	1.42
Scrap Sale Income	6.90	25.29
<b>Total Other Operating Revenues</b>	<b>432.90</b>	<b>735.74</b>
<b>Total Revenue from Operations</b>	<b>28,404.48</b>	<b>29,590.85</b>

**23 Other Income**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Apprentice Stipend Refund	0.59	0.62
Profit on Sales Investments	0.06	-
Sundry Balances written Back	-	2.20
Dividend Received	0.34	0.19
<b>Interest Income on</b>		
- Fixed Deposits with Banks	23.49	19.99
- Staff Loan	0.33	0.12
- Income tax Refund	21.01	0.24
- Deposit with GEB & ETL	22.89	14.51
Insurance Claim	-	0.20
Office Rent Income	0.12	0.12
Profits on sale or w/o of assets	-	0.12
<b>TOTAL</b>	<b>68.83</b>	<b>38.31</b>

**24 Cost of Materials Consumed**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Stock	1,314.91	1,367.12
Add: Purchases during the year *	13,412.81	16,069.81
	14,727.72	17,436.92
Less : Closing Stock	1,189.81	1,314.91
<b>TOTAL</b>	<b>13,537.90</b>	<b>16,122.01</b>

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

**25 Purchases of Stock-in-trade**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Chemical Items	874.44	628.25
<b>TOTAL</b>	<b>874.44</b>	<b>628.25</b>

**26 Changes in Inventories**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>OPENING INVENTORIES :</b>		
Finished Goods	4,141.44	3,338.26
Finished Goods (Captive)	8.94	18.15
Trading Stocks	21.34	23.97
Work-in-Progress	862.06	424.63
<b>TOTAL</b>	<b>5,033.77</b>	<b>3,805.01</b>
<b>CLOSING INVENTORIES :</b>		
Finished Goods	4,210.96	4,141.44
Finished Goods ( Captive)	48.18	8.94
Trading Stocks	2.81	21.34
Work-in-Progress	898.42	862.06
<b>TOTAL</b>	<b>5,160.38</b>	<b>5,033.77</b>
<b>TOTAL</b>	<b>(126.60)</b>	<b>(1,228.77)</b>

**27 Employee Benefit Expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Salary, Wages & Bonus	1,509.87	1,450.87
Staff Welfare Exps.	111.88	112.47
Salaries & Bonus to Directors	245.69	248.84
Incentive Commission to Other Staff	-	13.31
Commission to Managing Director	-	-
<b>Refer Note No. 27.1</b>		
Contribution to Provident Fund & Other Funds	88.77	83.93
Gratuity Insurance Premium ( See Note 36)	32.62	20.48
<b>TOTAL</b>	<b>1,988.83</b>	<b>1,929.90</b>

27.1 Refer Note No.38 for Related Parties Transactions

**28 Finance Costs**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Interest Expense on:		
- Term Loans	579.82	684.61
- Cash Credit and Working Capital Demand Loan	383.13	334.50
- Others	98.20	22.21
Foreign Exchange Difference regarded as an Adjustment to Borrowing Costs	178.58	510.39
Bank and Other Finance Charges	49.55	59.04
<b>TOTAL</b>	<b>1,289.28</b>	<b>1,610.75</b>

28.1 Refer Note No.38 for Related Parties Transactions

**29 Depreciation and Amortisation Expense**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Depreciation on Property, Plant and Equipment (Refer Note 4.1)	1,660.64	1,674.85
Amortisation of Expense	7.76	-
<b>TOTAL</b>	<b>1,668.40</b>	<b>1,674.85</b>

**30 Other expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
Other Manufacturing Expenses (Refer Note 30.1)	7,446.25	7,860.84
Repairs and Maintenance Expenses (Refer Note 30.2)	680.98	554.05
<b>Administrative and Other Expenses (Refer Note 30.3)</b>	<b>803.68</b>	<b>849.33</b>
<b>TOTAL</b>	<b>8,930.91</b>	<b>9,264.22</b>

**30.1 Other Manufacturing Expenses**

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>PACKING MATERIAL CONSUMED</b>		
Op. Stock	25.84	19.57
Add: Purchases during the year	508.16	562.78
	534.00	582.35
Less : Closing stock	36.18	25.84
<b>Total</b>	<b>497.82</b>	<b>556.51</b>
<b>E.T.P MATERIAL CONSUMED</b>		
Op. Stock	7.88	2.77
Add: Purchases during the year	196.66	122.86
	204.54	125.63
Less : Closing stock	9.97	7.88
<b>Total</b>	<b>194.57</b>	<b>117.75</b>

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

(Amount in Rs. in Lakhs)

<b>POWER &amp; FUEL CONSUMED</b>		
Electric Power & Burning	1,674.44	1,432.32
Fuel Purchased & Consumed	1,306.40	1,357.07
Gas Consumption Charges	1,207.00	1,655.34
<b>Total</b>	<b>4,187.85</b>	<b>4,444.73</b>
<b>OTHER MFGS. EXPENSES</b>		
Consumable Stores	264.98	178.01
ETP Expense	551.63	553.49
Factory & Other Expenses	102.47	114.63
Rates & Quality Difference (Purchase)	0.49	-
Forwarding & Handling Charges	413.55	773.99
Labour & Job Charges	1,017.76	881.04
Transportations Expenses	215.13	240.69
<b>Total</b>	<b>2,566.01</b>	<b>2,741.85</b>
<b>TOTAL</b>	<b>7,446.25</b>	<b>7,860.84</b>

30.2 Repairs and Maintenance Expenses

Particulars	As at 31st March, 2024	As at 31st March, 2023
Building & Premises Repairing	50.79	34.22
Consumable Stores (Plant, MEE & Electricals)	320.18	268.70
Repairing & Maintenance- Others	11.36	11.99
Machinery Parts, Repairs & Maintenance	298.65	239.14
<b>TOTAL</b>	<b>680.98</b>	<b>554.05</b>

30.3 Administrative and Other Expenses

Particulars	As at 31st March, 2024	As at 31st March, 2023
Angadia & Courier Exp	19.97	19.29
Consultancy & Professional Fees	38.92	65.36
Cost Audit Fees	1.15	0.93
Corporate Social Responsibility Expenses (Refer Note No.:30.4)	40.62	62.30
Exhibition Exp.	21.35	22.02
FDA Approval Fees	35.66	102.47
Insurance Premium	86.90	65.71
Lab-Testing Expense	20.62	16.09
Loss/Profits on sale/w/o of assets	2.37	0.02
Office Electric Bill Exp.	4.44	4.49
Other Administrative & Establishment Exps	37.25	42.12
Legal & Other Fees	43.81	67.41
Loss on Sales Investments	-	0.10
Payments to Auditors (Refer Note No: 30.5)	8.91	8.91
Sales Promotion Exps	29.20	13.02
Security Exp	77.60	69.95
Stationery & Printing Expense	15.57	18.89
Sitting Fees to Directors	1.36	1.68
Selling Commission	117.44	76.81
Telephone Exps-Others	2.18	2.08
Travelling & Conveyance	121.61	121.95
Water Charges	76.75	67.75
<b>TOTAL</b>	<b>803.68</b>	<b>849.33</b>

30.3.1 Refer Note No.38 for Related Parties Transactions

**30.4 Corporate Social Responsibility Expenditure:**

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

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

	As at 31st March, 2024	As at 31st March, 2023
a) Amount required to be spent as per Section 135 of the Companies Act 2013 for the year	38.36	62.29
b) Amount of expenditure incurred as approved by Board	38.37	62.30
c) Shortfall/ (Excess) at the end of the year	(0.01)	(0.01)
d) Total of previous years shortfall	Nil	Nil
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Women Empowerment, Medical, Rural Development, Education, Food, Environment Protection etc	Promoting Education
g) Details of related party transactions e.g., contribution to a trust controlled by the company in relation to CSR expenditure	0.00	62.30
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	N.A	N.A

**30.5 Payments to Auditors comprise**

Particulars	As at 31st March, 2024	As at 31st March, 2023
(i) Statutory Auditors		
As Auditor		
As Audit Fee -Financial Statements	8.91	8.91

**31 Income Tax Expense**

Particulars	As at 31st March, 2024	As at 31st March, 2023
A. Tax Expense recognised in Profit or Loss		
Current Tax		
Current Tax on Profits for the Year	2.26	5.75
Adjustment for Current Tax of Earlier Years	10.96	-
	<b>13.22</b>	<b>5.75</b>
Deferred Tax		
Origination and Reversal of Temporary Differences (Due to effect of Depreciation)	(64.41)	(83.50)
<b>Income Tax Expense</b>	<b>(51.18)</b>	<b>(77.74)</b>
B. Tax on Other Comprehensive Income		
Current Tax		
Remeasurements on Post-employment Defined Benefit Plans	-	-

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
Profit before Income Tax Expense	310.14	(372.05)
Enacted Statutory Income Tax Rate in India applicable to the Company	25.17%	25.17%
Computed Expected Income Tax Expense	-	-
<b>Adjustments:-</b>		
Effect of expenses that are not deductible in determining taxable profit	(51.18)	(77.74)
<b>TOTAL</b>	<b>(51.18)</b>	<b>(77.74)</b>

**32 Earnings per Equity Share**

Particulars	As at 31st March, 2024	As at 31st March, 2023
(A) Basic		
(i) Number of Equity Shares at the Beginning of the Year	11,694,113	11,328,449
(ii) Number of Equity Shares at the End of the Year	12,028,387	11,694,113
(iii) Weighted Average Number of Equity Shares Outstanding during the Year	11,855,536	11,340,499
(iv) Face Value of Each Equity Share (Rs.)	10.00	10.00
(v) Profit after Tax Available for Equity Shareholders Profit for the Year	0.00	0.00
(vi) Basic Earnings per Equity Share (Rs.)	3.49	(2.57)
(vi) Basic Earnings per Equity Share (Restated)	3.49	(2.57)
<b>(B) Diluted</b>		
(ii) Diluted Earnings per Equity Share (Rs.)	3.46	(2.65)
(ii) Diluted Earnings per Equity Share (Rs.) (Restated)	3.46	(2.65)

**33 Information relating to Micro and Small Enterprises (MSEs)**

Particulars		As at 31st March, 2024	As at 31st March, 2023
(1) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	Principal Amount	2,122.09	2,570.30
	Interest Amount	-	-
(2) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Principal Amount	-	-
	Interest Amount	-	-
(3) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified		-	-
(4) The amount of interest accrued and remaining unpaid at the end of each accounting year			
(5) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the Purpose of disallowance of a deductible expenditure			

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

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

34 Contingencies -

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
A ) Claims against the Company not acknowledged as debts: Taxes, duties and other demands (under appeal/dispute)		
(i) The aggregate amount involved in the various Show Cause Notices issued by Office of the Superintendent of Central Excise & Customs, Range-II, Division-II, Ankleshwar regarding the Cenvat Credit availed by the Company on some services is not admissible to them and such wrongful availment and utilization of Cenvat Credit liable to be reversed. The Company has filed replies to the said Show Cause Notices	64.85	67.71
(ii) Deemed Dividend U/s 2(22)(e) of Income Tax Act 1961, for AY 2012-13, appeal is pendnig with CIT Appeals-I	12.92	12.92
(iii) Penalty u/s 270A of Income Tax Act 1961, for AY 2017-18, appeal is pendnig with CIT Appeals-I	35.13	35.13

35 Contingencies -

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
(b) Guarantees Bank Guarantees / Letter of Credits	242.00	240.50

36 Employee Benefits :-

(I) Post Employment Defined Benefits Plans :

(A) Gratuity (Funded)

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. As per the plan, the Gratuity Fund Trusts, administered and managed by the Trustees and funded primarily with Life Insurance Corporation of India (LIC), make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The Trustees are responsible for the overall governance of the plan and to act in accordance with the provisions of the trust deed and rules in the best interests of the plan participants. Each year an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 2(t)(ii) above, based upon which, the Company makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Company:

(Amount in Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>(a) Reconciliation of Opening and Closing Balances of the Present Value of Defined Benefit Obligations:-</b>		
<b>Present Value of Obligation at the beginning of the year</b>	<b>248.32</b>	<b>221.78</b>
Current Service Cost	28.07	17.70
Past Service Cost	-	-
Interest Cost	18.62	16.26
Remeasurements Losses	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial Losses arising from Changes in Financial Assumptions	6.87	(4.09)
Actuarial Losses arising from Changes in Experience Adjustments	(26.27)	9.07
Benefits Paid	(4.76)	(12.39)



<b>Present Value of Obligation at the end of the year</b>	270.85	248.32
<b>(b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets:</b>		
<b>Fair Value of Plan Assets at the beginning of the year</b>	201.52	189.33
Interest Income	15.11	13.88
Remeasurements Gains	-	-
Actuarial Losses arising from Changes in Experience Adjustments	-	-
Return on Plan Assets (excluding amount included in Net Interest Cost)	2.70	(1.51)
Contributions by Employer	75.30	12.22
Benefits Paid	(4.76)	(12.39)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>289.87</b>	<b>201.52</b>
<b>(c) Reconciliation of the Present Value of the defined benefits Obligation and the Fair Value of Plan Assets - Amount Recognized in the Balance Sheet:</b>		
(Present Value of Obligation at the end of the year)	(270.85)	(248.32)
Fair Value of Plan Assets at the end of the year	289.87	201.52
Fund Status (Surplus/ Deficit)	19.02	(46.80)
<b>Net (Liabilities)/ Assets Recognised in the Balance Sheet</b>	<b>19.02</b>	<b>(46.80)</b>
<b>(d) Actual Return on Plan Assets</b>	15.11	13.88
<b>(e) Expense Recognisable in Profit or Loss :</b>		
Current Service Cost	28.07	17.70
Net Interest Cost	3.51	2.38
Past Service Cost	-	-
<b>Expenses Recognised in Profit or Loss for Current Period@</b>	<b>31.58</b>	<b>20.08</b>
<b>(f) Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
Actuarial (Gains)/Losses on Obligation For the Period	(19.40)	4.97
Return on Plan Assets, Excluding Interest Income	(2.70)	1.51
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>(22.10)</b>	<b>6.48</b>
<b>(g) Balance Sheet Reconciliation</b>		
<b>Opening Net Liability</b>	<b>46.80</b>	<b>32.46</b>
<b>Expenses Recognized in Statement of Profit or Loss</b>	<b>31.58</b>	<b>20.08</b>
<b>Expenses Recognized in OCI</b>	<b>(22.10)</b>	<b>6.48</b>
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	-	-
(Employer's Contribution)	(75.30)	(12.22)
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>(19.02)</b>	<b>46.80</b>
<b>(h) Category of Plan Assets:</b>		
Funded with LIC	100.00%	100.00%
Insurance fund	289.87	201.52
<b>Total</b>	<b>289.87</b>	<b>201.52</b>
<b>(i) Maturity profile of Defined Benefits Obligations:</b>		
1st Following Year	46.39	26.37
2nd Following Year	5.70	24.74

3rd Following Year	7.37	6.65
4th Following Year	19.83	7.27
5th Following Year	8.59	19.85
Sum of Years 6 To 10	109.82	105.59
Sum of Years 11 and above	468.59	462.20
<b>(j) Actuarial Assumptions:</b>		
Expected Returns on Plan Assets	7.22%	7.50%
Rate of Discounting	7.22%	7.50%
Rate of Salary Increase	7.00%	7.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
<b>(k) Other Details:</b>		
No of Members in Service	446	503
Per Month Salary For Members in Service	61.01	67.15
Weighted Average Duration of the Defined Benefit Obligation	11	11
Average Expected Future Service	20	20
Defined Benefit Obligation (DBO) - Total	270.85	248.32
Defined Benefit Obligation (DBO) - Due but Not Paid	-	-
<b>(l) Net Interest Cost for Next Year</b>		
Present Value of Benefit Obligation at the End of the Period	270.85	248.32
(Fair Value of Plan Assets at the End of the Period)	(289.87)	(201.52)
Net Liability/(Asset) at the End of the Period	(19.02)	46.80
Interest Cost	19.56	18.62
(Interest Income)	(20.93)	(15.11)
<b>Net Interest Cost for Next Year</b>	<b>1.37</b>	<b>3.51</b>
<b>(m) Expenses Recognized in the Statement of Profit or Loss for Next Year</b>		
Current Service Cost	26.92	28.07
Net Interest Cost	(1.37)	3.51
(Expected Contributions by the Employees )	0.00	0.00
<b>Expenses Recognised</b>	<b>25.55</b>	<b>31.58</b>
<b>(n) Sensitivity Analysis</b>		
Defined Benefit Obligation on Current Assumptions	270.85	248.32
Delta Effect of +1% Change in Rate of Discounting	(23.13)	(21.83)
Delta Effect of -1% Change in Rate of Discounting	27.43	25.90
Delta Effect of +1% Change in Rate of Salary Increase	24.34	22.76
Delta Effect of -1% Change in Rate of Salary Increase	(22.21)	(20.73)
Delta Effect of +1% Change in Rate of Employee Turnover	0.69	1.31
Delta Effect of -1% Change in Rate of Employee Turnover	(0.84)	(1.55)

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

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

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

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years. The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.

**(II) Post Employment Defined Contributions Plans :**

**(A) Provident Fund**

Certain categories of employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. During the year, an amount of Rs. 81.56 Lakhs (Previous Year Rs. 76.52 Lakhs) has been recognised as expenditure towards above defined contribution plans of the Company.

**(III) Leave Obligations**

The Company provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Company's policy. The Company records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement. The total provision recorded by the Company towards this obligation was Rs. 47.42 Lakhs, and Rs. 60.68 Lakhs at 31st March, 2024, and 31st March, 2023 respectively. The amount of the provision is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

**(IV) Risk Exposure**

Through its defined benefit plans, the Company is exposed to some risks, the most significant of which are detailed below:

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

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

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

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

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

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

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

**37. Segment Reporting**

Description of Segments and Principal Activities

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

**38 Related Party Disclosures:**

**38.1 List of related parties**

( i ) Subsidiary Company

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

(ii) Associates :-

Dynemic Holdings Pvt Ltd.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2024**
**(Amount in Rs. in Lakhs)**
**(iii) Key Management Personnel :-**

Mr. B. K. Patel	Managing Director
Mr. Rameshbhai B. Patel	Wholetime Director
Mr. Dixit B. Patel	Wholetime Director
Ms. Varsha Mehta	Company Secretary
Mr. Ankit Shah	Chief Financial Officer

**(iv) Independent Directors :-**

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

**(v) Relatives of Key Managerial Personnel :-**

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

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

Dynemic Foundation
--------------------

**38.2 Transactions with related parties :-**

Sr. No.	Particulars	Name of Person / Entity	For the year ended 3/31/2024	For the year ended 3/31/2023
1	Remuneration / Salary Expense	Mr. B. K. Patel	99.38	85.48
		Mr. Rameshbhai B. Patel	85.53	85.05
		Mr. Dixit B. Patel	88.29	78.32
		Ms. Varsha Mehta	11.13	12.29
		Mr. Ankit Shah	12.21	7.75
		Mr. Sachin R. Patel	2.92	2.80
		Mr. Mukesh B. Patel	19.05	17.22
2	Sitting Fees	Mr. Jagdish S. Shah	0.40	0.56
		Mr. Shankarlal B. Mundra	0.48	0.56
		Mrs. Rashmi K. Otavani	0.48	0.56
3	Sale of Goods & Services	Dynemic Holdings Pvt Ltd	0.12	0.12
4	Commission Paid	Mr. B. K. Patel	0.00	0.00
		Mr. Mukesh B. Patel	0.40	10.68
		Mrs. Chetna M. Patel	23.28	9.22
5	CSR Expense	Dynemic Foundation	0.00	62.30
6	Loan Taken	Mr. B. K. Patel	132.00	104.00
		Mr. Rameshbhai B. Patel	117.50	146.50
		Mr. Dixit B. Patel	27.00	48.00
7	Loan Repaid	Mr. B. K. Patel	42.00	111.52
		Mr. Rameshbhai B. Patel	17.50	154.00
		Mr. Dixit B. Patel	27.00	55.50
8	Interest Expense on Loan	Mr. B. K. Patel	1.48	1.75
		Mr. Rameshbhai B. Patel	12.50	6.20
		Mr. Dixit B. Patel	0.37	0.71

**38.3 Outstanding Balance :-**

Sr. No.	Particulars	Name of Person / Entity	For the year ended 3/31/2024	For the year ended 3/31/2023
1	Remuneration / Salary Expense	Mr. B. K. Patel	0.57	4.59
		Mr. Rameshbhai B. Patel	0.04	0.84
		Mr. Dixit B. Patel	2.42	4.06
		Ms. Varsha Mehta	0.87	0.61
		Mr. Ankit Shah	0.74	0.96
		Mr. Sachin R. Patel	0.22	0.22
		Mr. Mukesh B. Patel	0.57	1.12
2	Sitting Fees	Mr. Jagdish S. Shah	0.00	0.00
		Mr. Shankarlal B. Mundra	0.00	0.00
		Mrs. Rashmi K. Otavani	0.00	0.00
3	Sale of Goods & Services	Dynemic Holdings Pvt Ltd	0.00	0.00
4	Commission	Mr. B. K. Patel	0.00	0.00
		Mr. Mukesh B. Patel	0.40	7.35
		Mrs. Chetna M. Patel	0.00	0.00
5	Loan	Mr. B. K. Patel	90.00	0.00
		Mr. Rameshbhai B. Patel	100.00	0.00
		Mr. Dixit B. Patel	0.00	0.00

38.4 Terms and conditions of transactions with related parties Transactions relating to dividend were on the same terms and conditions that applied to other shareholders. The sales to and purchases from related parties are made in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash/cheque. No provisions are held against receivables from related parties. There are no loans outstanding with related parties.

**39 Fair Value Measurements**

(i) Financial Instruments by Category	31st March 2024	31st March 2023
	Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
<b>Financial Assets</b>		
<b>Assets Carried at Fair Value through Profit or Loss</b>		
<b>Investments</b>		
Equity Instruments	-	-
Mutual Funds	-	-
Other Financial Assets	-	-
<b>Assets Carried at Amortised Cost</b>		
<b>Investments</b>		
Equity Instruments	98.40	98.97
Mutual Funds	-	-
Trade Receivables	5,598.89	5,072.48
Cash and Cash Equivalents	19.29	72.84
Other Bank Balances	162.90	126.10
Loans	3.27	0.88
Other Financial Assets	1,881.86	1,904.63
<b>Total Financial Assets</b>	<b>7773.50</b>	<b>7275.91</b>
<b>Financial Liabilities</b>		
<b>Liabilities Carried at Amortised Cost</b>		
Borrowings (including current maturities and interest accrued)	11,453.41	14,796.60
Trade Payables	6822.33	6,496.16
Other Financial Liabilities	97.24	7.94
<b>Total Financial Liabilities</b>	<b>18372.98</b>	<b>21,300.70</b>

**(ii) Fair Values**

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended 31st March, 2024.

The following methods and assumptions were used to estimate the fair values:

(a) In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(b) The fair value of foreign exchange forward contracts is determined using forward exchange rates at the Balance Sheet date.

(c) The management assessed that fair values, of trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), investments in commercial papers, trade payables, borrowings (current) and other financial liabilities (current), approximate to their carrying amounts largely due to the short-term maturities of these instruments. Further, management also assessed the carrying amount of certain loans and long-term borrowings at floating interest rates which are a reasonable approximation of their fair values and the difference between the carrying amounts and fair values is not expected to be significant.

(d) The fair value of remaining financial instruments is determined on discounted cash flow analysis using a current lending/discount rate, as considered appropriate. For financial assets carried at fair value, the carrying amounts are equal to their fair values.

**(iii) Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

**Level-1 :** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

**40 Financial Risk Management**

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to safeguard against any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered as per Company's policy to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's senior management oversees the management of above risks. The senior executives working to manage the financial risks are accountable to the Audit Committee and the Board of Directors. This process provides assurance to the Company's senior management that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**(A) Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks and Investments in Mutual Funds).

**Trade Receivables**

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed by each business unit subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

The Company's exposure to customers is diversified and no single customer contributes to more than 10% of total revenues.

**Other Financial Assets**

Credit risk from balances with banks, term deposits, loans, investments and derivative instruments is managed by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties. The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March, 2024, and 31st March, 2023 is the carrying amounts as disclosed in Note 39.

**Financial Assets that are Neither Past Due Nor Impaired**

None of the Company's cash equivalents with banks, loans and investments were past due or impaired as at 31st March, 2024 and 31st March, 2023. Of the total trade receivables Rs. 5607.78 Lakhs as at 31st March, 2024 and Rs. 5072.48 Lakhs as at 31st March, 2023 consisted of customer balances that were neither past due nor impaired.

**Financial Assets that are Past Due but Not Impaired**

The Company's credit period for customers generally ranges from 0 - 180 days. The ageing of trade receivables that are past due but not impaired (net of provisions/allowances) is given below:

Period (in days)	31st March 2024	31st March 2023
01-90	5,210.16	5,058.40
91-180	320.70	-
More than 180	68.03	14.07

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer.

Other than trade receivables, the Company has no significant class of financial assets that is past due but not impaired.

**(B) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

**(i) Financing Arrangements**

The Company had access to the following undrawn borrowing facilities (excluding non-fund based facilities) at the end of the reporting period:

Period (in days)	31st March 2024	31st March 2023
Floating Rate		
Expiring within one year (working capital facilities)	584.23	151.71

The working capital facilities may be drawn at any time and may be terminated by the bank without notice.

Subject to the continuance of satisfactory credit ratings, the above facilities may be drawn at any time within one year.

**(ii) Maturities of Financial Liabilities**

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual Maturities of Financial Liabilities	Within 1 year	Between 1 and 3 year	Total
<b>31st March, 2024</b>			
Borrowings	8,076.51	3,376.90	11,453.41
Trade Payables	6700.11	122.22	6822.33
Other Financial Liabilities	96.80	0.43	97.24
Financial Guarantee Contracts			
<b>Total</b>	<b>14,873.42</b>	<b>3,499.56</b>	<b>18372.98</b>
<b>31st March, 2023</b>			
Borrowings	8,195.56	6,601.03	14,796.60
Trade Payables	6,206.58	289.58	6,496.16
Other Financial Liabilities	7.77	0.17	7.94
Financial Guarantee Contracts	-	-	-
<b>Total</b>	<b>14,409.91</b>	<b>6,890.79</b>	<b>21,300.70</b>

**(C) Market Risk**
**(i) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currencies (primarily US Dollars and Euro). The Company has obtained foreign currency loans and has foreign currency trade receivables, trade payables and other financial assets/liabilities and is therefore exposed to foreign currency risk.

**(a) Foreign Currency Risk Exposure:**

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	31st March 2024			31st March 2023		
	USD	EURO	OTHER	USD	EURO	OTHER
<b>Financial Assets</b>						
Trade Receivables	3832.41	260.38	533.53	3,201.59	251.97	-
Bank Balance in EEFC Account	6.79	-	-	1.55	-	-
Other Financial Assets	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-
Foreign Exchange Forward Contracts	-	-	-	-	-	-
<b>Net Exposure to Foreign Currency Risk (Assets)</b>	<b>3839.20</b>	<b>260.38</b>	<b>533.53</b>	<b>3,203.14</b>	<b>251.97</b>	<b>-</b>
<b>Financial Liabilities</b>						
Borrowings (including Current maturities)	4,104.25	-	-	6,331.91	-	-
Trade Payables	946.90	-	-	636.11	-	-
Other Financial Liabilities	-	-	-	-	-	-
Derivative Assets	-	-	-	-	-	-
Foreign Exchange Forward Contracts	-	-	-	-	-	-
<b>Net Exposure to Foreign Currency Risk (Liabilities)</b>	<b>5,051.15</b>	<b>-</b>	<b>-</b>	<b>6,968.02</b>	<b>-</b>	<b>-</b>
<b>Net Exposure to Foreign Currency Risk (Assets -Liabilities)</b>	<b>(1211.95)</b>	<b>260.38</b>	<b>533.53</b>	<b>(3,764.87)</b>	<b>251.97</b>	<b>-</b>

**(b) Sensitivity**

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

Particulars	Impact on Profit before tax	
	31st March, 2024	31st March, 2023
<b>USD Sensitivity</b>		
INR/USD -Increase by 7%*	(84.84)	(263.54)
INR/USD -Decrease by 7%*	84.84	263.54
<b>Euro Sensitivity</b>		
INR/EUR-Increase by 7%*	18.23	17.64
INR/EUR-Decrease by 7%*	(18.23)	(17.64)



\* Holding all other variables constant

**(ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to risk of changes in market interest rates relates primarily to the Company's debt interest obligation. Further the Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings. To manage this, the Company may enter into interest rate swaps. The management also maintains a portfolio mix of floating and fixed rate debt.

The Company's fixed rate borrowings and investments in term deposits with bank are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of changes in market interest rates.

**(a) Interest Rate Risk Exposure**

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	31st March 2024	31st March 2023
Variable Rate Borrowings	4,515.77	4,948.29
Fixed Rate Borrowings	6,647.64	9,848.31
<b>Total Borrowings</b>	<b>11,163.41</b>	<b>14,796.60</b>

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	"Weighted average interest rate(%)"	Balance	% of Total Loans
<b>31st March 2024</b>			
Cash Credit/Packing Credit Facilities	8.94%	4,515.77	40.45%
<b>31st March 2023</b>			
Cash Credit/Packing Credit Facilities	6.23%	4,948.29	33.44%

An analysis by maturities is provided in Note 40(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

**(b) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit before tax	
	31st March, 2024	31st March, 2023
<b>Variable Rate Borrowings</b>		
Interest Rates - Increase by 100 basis points (100 bps) *	45.16	49.48
Interest Rates - Decrease by 100 basis points (100 bps) *	(45.16)	(49.48)
<b>Fixed Rate Borrowings</b>		
Interest Rates - Increase by 100 basis points (100 bps) *	66.48	98.48
Interest Rates - Decrease by 100 basis points (100 bps) *	(66.48)	(98.48)

\* Holding all other variables constant

**(iii) Commodity Price Risk**

Exposure to market risk with respect to commodity prices primarily arises from the Company's sales of dyes and intermediates, including the raw material components for such products. Cost of raw materials forms the largest portion of the Company's cost of sales. Market forces generally determine prices for the goods sold by the Company. These prices may be influenced by factors such as supply and demand, production costs (including the costs of raw material inputs) and global and regional economic conditions and growth. Adverse changes in any of these factors may reduce the revenue that the Company earns from the sales of goods. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. The Company has not entered into any derivative contracts to hedge exposure to fluctuations in commodity prices.

**41 Capital Management**
**(a) Risk Management**

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the net debt to equity ratio. Net debt are long-term and short-term debts as reduced by cash and cash equivalents. The Company is not subject to any externally imposed capital requirements.

The following table summarises the capital of the Company:

Particulars	31st March 2024	31st March 2023
<b>Total Borrowings</b>	11,163.41	14,796.60
Less: Cash and cash equivalents	182.19	198.94
<b>Net Debt</b>	<b>10,981.22</b>	<b>14,597.66</b>
Equity	20,263.58	18,289.77
Total Capital (Equity + Net Debt)	31,244.80	32,887.43
<b>Net Debt to Equity ratio</b>	<b>35.15%</b>	<b>44.39%</b>

No changes were made to the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2023.

**(b) Dividend on Equity Shares**

Particulars	31st March, 2024	31st March, 2023
Dividend Declared and Paid during the year	-	-
Proposed Dividend Not Recognised at the End of the Reporting Period	-	-

**42 Assets Pledged/ Hypothecated as Security**

Particulars	31st March 2024	31st March 2023
<b>Current</b>		
First Charge		
Financial Assets		
Trade Receivables under Bill Discounting (Refer below)	1,345.38	2,008.28
Other Trade Receivables	(1,345.38)	(2,008.28)
Non-financial Assets	-	-
Inventories	6,582.85	6,513.84
<b>Sub-total</b>	<b>6,582.85</b>	<b>6,513.84</b>
<b>Non-current</b>		
First Charge/Second Charge		
Leasehold Land	1,340.92	1,340.92
Buildings	9,010.84	9,356.47
Plant and Equipments	13,938.47	15,041.53
Furniture and Fixtures	86.71	98.17
Office Equipments	16.20	24.56
Vehicles	40.43	40.37
<b>Sub-total</b>	<b>24,433.57</b>	<b>25,902.01</b>
<b>Total</b>	<b>31,016.42</b>	<b>32,415.86</b>

**Trade Receivables under Bill Discounting**

The carrying amount of trade receivables include receivables which are subject to bill discounting arrangement. Under this arrangement, the Company has discounted the relevant receivables in exchange of cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise such receivables in their entirety in its balance sheet. The amount payable under the bill discounting arrangement is presented as secured borrowings (Refer Note 15).

**43 Relationship with Struck off Companies, if any.**

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any,
NIL	Investments in securities	NIL	NIL
NIL	Receivables	NIL	NIL
NIL	Payables	NIL	NIL
NIL	Other outstanding balances	NIL	NIL

**44 Issue of Shares**

During the year the Company has received Rs.1079.75 Lakhs on Preferential issue of 3,50,000 shares at Rs.308.50/- per equity shares (Rs.10/- Face value and Rs.298.50/- share premium amount) to meet Incremental working Capital requirement.

During the year the Company has forfeited 15726 party paid equity shares.

The total issue expenses incurred 68.24 Lakhs (excluding taxes) has been adjusted against securities premium.

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

**45 Event Occurring after The Balance Sheet Date**

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

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

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

**48** Company has not been declared willful defaulter by any bank or financial Institution or other lender during the year under audit.

**49** Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period during the year under audit.

**50** Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**51** During the year, Company has no relation of any kind or transactions with any of the Struck off Companies.

**52** The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

**53** The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**54** The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- 55 The financial statements of the Company for the year ended 31st March, 2024 have been reviewed by the audit committee and approved by the Board of Directors in its meeting held on 30th May, 2024.
- 56 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable with current year's figures.

AS PER OUR REPORT OF EVEN DATE  
**FOR, B. K. PATEL & CO.**  
CHARTERED ACCOUNTANTS  
FRN :- 112647W

**CA B. K. PATEL**  
PARTNER  
MEMBERSHIP NO.032199

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**FOR AND ON BEHALF OF**  
DYNEMIC PRODUCTS LIMITED

**B. K. PATEL**  
MANAGING DIRECTOR

**D. B. PATEL**  
DIRECTOR

**R. B. PATEL**  
DIRECTOR

**ANKIT SHAH**  
CHIEF FINANCIAL OFFICER

PLACE : AHMEDABAD.  
DATE : 30.05.2024

**VARSHA MEHTA**  
COMPANY SECRETARY





**DYNEMIC PRODUCTS LIMITED**

CIN: L24100GJ1990PLC013886

B-301, Satyamev Complex - 1, Opp. Gujarat High Court, S.G. Road, Ahmedabad - 60.

Phone: +91-79-27663071, 9924011755

Email: [info@dynemic.com](mailto:info@dynemic.com), Website: [www.dynemic.com](http://www.dynemic.com)