

DYNEMIC PRODUCTS LTD.

Registered Office : B-301, Satyamev Complex-1, Opp. Gujarat High Court,
S.G. Road, Sola, Ahmedabad - 380 060. Website : www.dynemic.com
CIN - L24100GJ1990PLC013886

Notice

Notice is hereby given that the 30th Annual General Meeting of the Company will be held through Video Conferencing / Other Audio Visual Means on Thursday, 24th December, 2020, at 4.00 p.m. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2020, 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, 2020 and the Report of the Auditors thereon.
2. To confirm the payment of dividend of Rs. 1.50 per Equity Share i.e. 15% on Equity Share for the year ended 31st March, 2020.
3. 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, (holding DIN No. 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 :

4. To ratify payment of remuneration to the Cost Auditors of the Company for FY 2020-21

To Consider and if thought fit to pass the following resolution with or without modification 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, 2021, amounting to Rs. 85,000 (Rupees Eighty Five Thousand only) (apart from reimbursement of out-of pocket expenses incurred for the purpose of Audit), be and is hereby ratified and confirmed.”

RESOLVED FURTHER THAT Mr. Bhagwandas K. Patel, Managing Director of the company be and is hereby authorized to file the necessary forms as and when required.

5. To re-appoint Shri Bhagwandas K. Patel (DIN : 00045845) as a Managing Director of the Company for the further period of 5 years w.e.f. September 1, 2020

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and Regulation 17(6)(e) of SEBI Amended Listing Regulations, the relevant provisions of the Articles of Association of the Company and all applicable guidelines as applicable from time to time, Shri Bhagwandas K. Patel (DIN : 00045845) be and is hereby re-appointed as Managing Director of the Company for further period of five years with effect from September 1, 2020 and upon re-appointment as a Managing Director his office shall not be liable to retire by rotation, on the following terms and conditions as set out hereunder :-

Salary :

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

Commission :

Commission at the rate of 1.5% to 3% on the sale of products which are not manufactured by the Company, which is exclusively handled by the Managing Director.

Commission @ 2% of the net profit of the Company, as calculated for the whole financial year.

Period :

From 01.09.2020 to 31.08.2025

RESOLVED FURTHER THAT the Board be and is hereby authorized to vary, alter, increase, enhance or widen the scope of remuneration and perquisites to the extent specified in Schedule V and other applicable provisions, if any, of the Act, as amended from time to time.

RESOLVED FURTHER THAT, pursuant to regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 consent of the Members be and is hereby accorded for

payment of remuneration to Shri Bhagwandas K. Patel (DIN: 00045845), Managing Director, notwithstanding that the annual aggregate remuneration payable to Shri Bhagwandas K. Patel, Managing Director, Shri Dixitbhai B. Patel, Whole Time Director and Shri Rameshbhai B. Patel, Whole Time Director, exceeds 5% of the net profit of the Company as calculated under section 198 of the Companies Act in any year during the tenure of his appointment.

SITTING FEES : As long as Shri Bhagwandas K. Patel functions as the Managing Director, he shall not be paid any sitting fees for attending the meetings of the Board of Directors / Committee thereof.

RESOLVED FURTHER THAT in the event of the Company not earning any profit / earning inadequate profits during any financial year during the currency of the tenure of Shri Bhagwandas K. Patel, as Managing Director, the remuneration payable shall be as per limit prescribed in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts and deeds as may be expedient to give effect to this resolution."

6. To re-appoint Shri Rameshbhai B. Patel (DIN : 00037568) as a Wholetime Director of the Company for the further period of 5 years w.e.f. September 1, 2020

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and Regulation 17(6)(e) of SEBI Amended Listing Regulations, the relevant provisions of the Articles of Association and all applicable guidelines as applicable from time to time, approval be and is hereby accorded to the re-appointment of Shri Rameshbhai B. Patel as a Whole Time Director of the Company, for a period of 5 (five) years with effect from September 1, 2020, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to alter and vary the terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or reenactment thereof. Upon re-appointment as a Whole time Director his office shall be liable to retire by rotation and the reappointment as such director shall not be deemed to constitute a break in his office of Whole Time Director."

Salary :

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

Period :

From 01.09.2020 to 31.08.2025

RESOLVED FURTHER THAT in the event of the Company not earning any profit / earning inadequate profits during any financial year during the currency of the tenure of Shri Rameshbhai B. Patel, as Whole Time Director, the remuneration payable shall be as per limit prescribed in Schedule V of the Companies Act, 2013.

SITTING FEES : As long as Shri Rameshbhai B. Patel functions as the Whole Time Director, they shall not be paid any sitting fees for attending the meetings of the Board of Directors / Committee thereof.

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

7. To re-appoint Ms. Rashmi K. Otavani (holding DIN 06976600), as an Independent Director of the Company for a second term of five (5) consecutive years w.e.f. September 25, 2020

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Ms. Rashmi K. Otavani (holding DIN 06976600), who was appointed as an Independent Director and who holds office as an Independent Director up to September 24, 2020 and in respect of whom the Company has received a notice in writing, from a Member proposing his candidature for the office of the Independent Director of the Company and Ms. Rashmi K. Otavani has also submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and being eligible for re-appointment and in respect of whom based on her evaluation of performance, the Nomination and Remuneration Committee has recommended her re-appointment to the Board, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five (5) consecutive years w.e.f. September 25, 2020 to September 24, 2025."

“RESOLVED FURTHER THAT the Bhagwandas K. Patel, Managing Director of the Company be and is hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution.”

8. To approve Reclassification of Promoter and Promoter Group to Public Category

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

“RESOLVED THAT pursuant to the provisions of Regulation 31A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to approval from the BSE Limited, National Stock Exchange of India Limited (herein after referred to as stock exchanges), the Securities and Exchange Board of India and such other Statutory Authorities as may be required and pursuant to other laws and regulations, as may be applicable from time to time (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members be and is hereby accorded to reclassify the following person(s) (hereinafter individually and jointly referred to as the applicants) from “Promoter and Promoter Group” category to “Public” category :

Name of Shareholder	No. of Equity Shares (Face Value Rs. 10/- each)	Percentage of Shareholding / Voting Rights
Dashrathbhai P. Patel	520400	4.59
Dashrathbhai P. Patel – HUF	26420	0.23
Lilaben Dashrathbhai Patel	104730	0.92
Palak D. Patel	40500	0.36
Total	692050	6.10

RESOLVED FURTHER THAT in supersession of any provision, their special rights, if any, with respect to the Company through formal or informal arrangements including through any shareholders agreements, if any, stand withdrawn/terminated and be null and void, with immediate effect.

RESOLVED FURTHER THAT the above applicants confirmed that all the conditions specified in sub-clause (i) to (vii) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with and also confirmed that at all times from the date of such reclassification, shall continue to comply with conditions mentioned Regulation 31A of SEBI (LODR) Regulations, 2015 post reclassification from “Promoter & Promoter Group” to “Public”.

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable provisions.

By Order of the Board

Ahmedabad
5th September, 2020

Varsha R. Mehta
Company Secretary
Membership No. A24312

Notes

- In view of the Continuing COVID-19 pandemic, Ministry of Corporate Affairs (MCA) has vide its General Circular numbers 20/2020; 14/2020 and 17/2020 issued on 5th May, 2020, 8th April, 2020 and 13th April, 2020 respectively read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) on 12th May, 2020 (hereinafter collectively referred to as “the Circulars”), allowed companies to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue. Hence, in compliance with provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and the Circulars, the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company. Central Depository Services (India) Limited (“CDSL”) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating/joining in the meeting through VC/OAVM is explained hereunder.
- 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.
- As the AGM shall be conducted through VC/OAVM, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
- Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

5. The Members can join the AGM in the VC/OAVM mode 30 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 on first come first served basis.
6. 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.

7. Process for those shareholders whose email ids are not registered:

- 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 or at RTA's email id investor@bigshareonline.com
- b) For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, 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 or at RTA's email id investor@bigshareonline.com

c) THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER :

- (i) The voting period begins on 20th December, 2020 at 9.00 a.m. and ends on 23rd December, 2020 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 (record date) of 17th December, 2020 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) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) 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.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip / communicated by mail indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

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

- (x) 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. 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/RTA email id**.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 cs@dynemic.com 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 cs@dynemic.com These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

(i) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required 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 viz; 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.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 or call on 022-23058542/43.

(xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, December 17, 2020.

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

In respect of Shares held in electronic form, to the Beneficial Owners of the Shares as at the close of business hours on December 17, 2020, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND UNDER SECRETARIAL STANDARD ON GENERAL MEETINGS FOR ITEM 4 TO 8

ITEM No. 4

The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Anuj Aggarwal & Co., Cost Accountants, Ahmedabad as the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2020-21 and fixed the remuneration of Rs. 85,000 plus GST and out of pocket expenses. As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies [Audit and Auditors] Rules, 2014, the remuneration fixed by the Board of Directors shall be ratified by the members by passing a resolution. Accordingly, consent of the members is being sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors to carry out the audit of cost records of the Company for the financial year 2020-21. 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. 5

As the existing tenure of Shri Bhagwandas K. Patel will be expiring on 31st August 2020, Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee in its meeting held on 27.06.2020 has proposed to re-appoint him as a Managing Director of the company for a further period of five years with effect from 01.09.2020, subject to the approval of Members and that of the Central Government, if required on the terms and conditions as set out in the Notice at Item No. 5.

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

On re-appointment his office shall not be held to be liable to retire by rotation on the remuneration determined by the Nomination and Remuneration Committee and approved by the Board.

Shri Bhagwandas K. Patel is the Managing Director and is responsible for all the day to day operations of the Company subject to superintendence and control of the Board of Directors. Brief resume and other details of Shri Bhagwandas K. 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.

Shri Bhagwandas K. Patel B.Com and Inter C.A. and a pioneer and founder of the Company. He has around 32 years of rich experience in Sales, Marketing, Operations, Management and Finance in the existing business.

Prior to joining DYNAMIC he was working with M/s Britco Surgicals as a Administrative & Finance head.

The remuneration proposed to be paid to the Managing Director is comparable with the remuneration being paid for similar assignments in the industry.

The above may be treated as a written memorandum setting out the terms of appointment of Shri Bhagwandas K. Patel as Managing Director under Section 190 of the Act.

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

Shri Dixitbhai B. Patel, a Whole Time Director of the Company may be considered as concerned and interested as being relative of Shri Bhagwandas K. Patel and Shri Bhagwandas K. 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. 5.

Shri Bhagwandas K. Patel satisfies all the conditions set out in Part-I of Schedule V to the Act and she is also not disqualified from being appointed as Director in terms of Section 164 of the Act.

ITEM No. 6

As the existing tenure of Shri Rameshbhai B. Patel will be expiring on 31st August, 2020, Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee in its meeting held on 27.06.2020 has proposed to re-appoint him as Whole Time Director, for a further period of five years with effect from 01.09.2020, subject to the approval of Members and that of the Central Government, if required on the terms and conditions as set out hereunder.

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

Shri Rameshbhai B. Patel is a Bachelor of Science having rich experience of above 31 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 DYNAMIC Products Ltd.

Broad particulars of the terms of re-appointment of Shri Rameshbhai B. Patel are as under :-

- (i) Shri Rameshbhai B. Patel satisfy all the conditions set out in Part-I of Schedule V to the Act for being eligible for the re-appointment.
- (ii) The office of Whole Time Director may be terminated by the Company or the concerned Director by giving the other 1 (one) month prior notice in writing.
- (iii) The employment of Whole Time Director may be terminated by the Company without notice or payment in lieu of notice :
 - if the Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required to render services; or
 - in the event of any serious repeated or continuing breach or non-observance by the Director of any of the stipulations contained in the terms of employment with the Company; or
 - in the event the Board expresses its loss of confidence in the Director.
- (iv) Upon termination by whatever means of the Whole Time Director's employment :
 - The Director shall immediately tender his resignation from the office as Director of the Company and from such other offices held by him in the Company, in any subsidiary and associate company and other entities without claim for compensation for loss of office,
 - The Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of its subsidiary or associate company.
- (v) The Whole Time Director will perform his duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and his functions will be under the overall authority of the Managing Director.
- (vi) The Whole Time Director shall adhere to the Company's Code of Business Conduct and Ethics for Directors and Management personnel.

The remuneration proposed to be paid to the Managing Director is comparable with the remuneration being paid for similar assignments in the industry.

Brief resume and other details of Shri Rameshbhai 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.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to Shri Rameshbhai B. Patel, as Whole Time Director, in terms of the applicable provisions of the Act.

Shri Rameshbhai B. Patel satisfies all the conditions set out in Part-I of Schedule V to the Act and she is also not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Shri Rameshbhai B. Patel as Whole Time Directors under Section 190 of the Act.

Your Directors commend the Resolution at Item No. 6 for your approval.

Except for Shri Rameshbhai B. Patel, none of the other Directors, Key Managerial Personnel and relatives thereof are in any way, concerned or interested in the resolution at Item no. 6.

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

ITEM No. 7

Ms. Rashmi K. Otavani (DIN 06976600), was appointed as Independent Director of the Company by the members of the Company in their 25th AGM held on 25th September, 2015 for a term of 5 consecutive years, effective from September 25, 2015 to September 24, 2020 ("First term"). The current term of their office is due to expire on September 24, 2020.

The Nomination and Remuneration Committee ("NRC") of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Ms. Rashmi K. Otavani as Independent Director for a second term of 5(five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendation of the NRC, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Ms. Rashmi K. Otavani would be immense benefit to the Company and it is desirable to continue to avail her services as Independent Director. Accordingly, it is proposed to re-appoint Ms. Rashmi K. Otavani as Independent Director of the Company, not liable to retire by rotation, for a second term of 5(five) consecutive years on the Board of the Company.

Ms. Rashmi K. Otavani, Independent Director of the Company, has given a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and under the Listing Regulations. The Company has also received a Notice in writing from a member proposing his candidature for the office of an Independent Director of the Company under Section 160 of the Companies Act, 2013.

In the opinion of the Board, she fulfill the conditions specified in the Companies Act, 2013 and Listing regulations.

Ms. Rashmi K. Otavani is not disqualified from being appointed as Director in terms of Section 164 of the Act and had given her consent to act as Director.

Ms. Rashmi K. Otavani is the Member in NRC, CSR and SRC Committee of the Company.

Ms. Rashmi K. Otavani does not hold by herself or together with her relatives two percent or more of the total voting power of the Company.

Brief resume and other details of the Ms. Rashmi K. Otavani whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

Copy of the draft letter for appointment of the above Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Ms. Rashmi K. Otavani is deemed to be interested in the resolution set out at Item no. 7 of the Notice with regard to her appointment.

Save and except above, none of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the above resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members. This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

ITEM No. 8

The Company had received requests from Mr. Dashrathbhai P. Patel, Promoter of the Company along with Dashrathbhai P. Patel – HUF, Mrs. Lilaben Dashrathbhai Patel and Ms. Palak D. Patel, Persons belonging to Promoter Group for reclassification from ‘the Promoter and Promoter Group’ category to ‘Public’ category. The following are the details regarding their respective shareholding in the Company :

Name of Shareholder	No. of Equity Shares (Face Value Rs. 10/- each)	Percentage of Shareholding / Voting Rights
Dashrathbhai P. Patel	520400	4.59
Dashrathbhai P. Patel – HUF	26420	0.23
Lilaben Dashrathbhai Patel	104730	0.92
Palak D. Patel	40500	0.36
Total	692050	6.10

Pursuant to Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with amendments thereto, the Board of Directors of the Company shall analyze the request, place the same before the shareholders in a general meeting for approval and apply for stock exchanges’ approval subsequently.

On the basis of the requests received by the Company and pursuant to the provisions of Regulation 31A(3)(b) of the SEBI (LODR) Regulations, 2015, the aforesaid shareholders seeking reclassification have confirmed that –

- i) They, together do not hold more than ten per cent of the total Voting Rights in the Company;
- ii) They do not exercise control over the affairs of the Company directly or indirectly;
- iii) They do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv) They do not represent on the Board of Directors (including not having a Nominee Director) of the Company;
- v) They do not act as a Key Managerial Person in the Company;
- vi) They are not ‘wilful defaulters’ as per the Reserve Bank of India Guidelines;
- vii) They are not fugitive economic offenders.

Further, the aforesaid shareholders have confirmed that subsequent to reclassification, they would continue to comply with the requirements as mentioned in Regulation 31A of SEBI (LODR) Regulations, 2015.

The said requests for reclassification were considered, analyzed and approved by the Board of Directors at its meeting held on September 5, 2020, subject to members’ approval, and stock exchanges’ approval subsequently.

The Promoter/ Promoter Group shareholding in the Company would be 28.33% after the above reclassification.

Save and except above, none of the other Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the above resolution.

The Board recommends the Resolution set out at Item No. 8 of the Notice for approval by the members.

Relevant details as stipulated under Regulation 26 (4) and 36(3) of SEBI (LODR), 2015 and Secretarial Standard on General Meetings (“SS-2”) issued by Institute of Company Secretaries of India, in respect of Directors seeking Appointment / Re-appointment are as under: