

# 17th Annual Report 2011 - 2012



**Dynamic**  
Portfolio Management  
& Services Limited

**17<sup>th</sup> Annual Report 2011 - 2012**

**Board of Directors**

Arun Kr. Agarwal  
Ravi Kr. Newatia  
Ritesh Kr. Newatia  
Prasanta Dhar  
Vikas Kr. Agarwal  
Ashok Bothra

Chairman & Managing Director  
Wholetime Director  
Promoter Director  
Independent Director  
Independent Director  
Independent Director

**Compliance Officer**

Suruchi Garodia

**Registered Office**

53A, Mirza Ghalib Street  
4<sup>th</sup> Floor  
Kolkata-700 016

**Bankers**

IndusInd Bank Limited

**Auditors**

Mukesh Choudhary & Associates  
Chartered Accountants  
Commerce House  
2-A, Ganesh Chandra Avenue  
Kolkata - 700 013

**Registrar & Share Transfer Agent**

M/s. Purva Sharegistry (India) Pvt. Ltd.  
9, Shiv Shakti Ind. Estt.  
J R Boricha Marg, Lower Parel (E)  
Mumbai - 400 011

**Annual General Meeting**

Date : 24th September 2012  
Time : 11.00 A.M.  
Venue : 53A, Mirza Ghalib Street  
4<sup>th</sup> Floor, Kolkata-700 016

**Contents**

- ❖ Notice
- ❖ Report on Corporate Governance
- ❖ Auditors' Certificate on Corporate Governance
- ❖ Directors' Report
- ❖ Secretarial Compliance Report
- ❖ Auditors' Report
- ❖ Balance Sheet
- ❖ Profit & Loss Account
- ❖ Schedules
- ❖ Cash Flow Statement
- ❖ Balance Sheet Abstracts

**Members are requested to bring their copy of Annual Report at the time of Meeting**

**NOTICE**

Notice is hereby given that the Seventeenth Annual General Meeting of the members of Dynamic Portfolio Management & Services Limited will be held on Monday, the 24<sup>th</sup> day of September, 2012 at 11.00 A.M. at 53A, Mirza Ghalib Street 4th Floor, Kolkata-700 016 to transact the following businesses as :

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Directors' Report and Audited Statement of Accounts for the year ended 31<sup>st</sup> March 2012.

2. To consider and thought fit, to pass, with or without modification(s), the following Resolution, in respect of the vacancy caused by the retirement of Mr. Ritesh Kr. Newatia, retires by rotation and has expressed his inability for re-appointment, which is not proposed to be filled-up, as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Ritesh Kr. Newatia, who retires by rotation and has expressed his inability for re-appointment, be not re-appointed and that the vacancy caused thereby be not filled up."

3. To consider and thought fit, to pass, with or without modification(s), the following Resolution, in respect of the vacancy caused by the retirement of Mr. Vikash Kr. Agarwal, retires by rotation and has expressed his inability for re-appointment, which is not proposed to be filled-up, as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Vikash Kr. Agarwal, who retires by rotation and has expressed his inability for re-appointment, be not re-appointed and that the vacancy caused thereby be not filled up."

4. To consider and thought fit, to pass, with or without modification(s), the following Resolution, as an Ordinary Resolution:

**"RESOLVED THAT** M/s. Mukesh Choudhary & Associates, Chartered Accountants, Kolkata be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to examine and audit the accounts of the Company for the financial year 2012-2013, at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of out of pocket expenses and applicable taxes."

Kolkata, June 30, 2012

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

**Registered Office :**  
53A, Mirza Ghalib Street  
4<sup>th</sup> Floor, Kolkata-700 016

**Arun Kumar Agarwal**  
Chairman & Managing Director

## Dynamic Portfolio Management & Services Limited

### Notes :

1. A member entitled to attend and Vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
3. The Register of Member and the Share Transfer Books of the Company will remain closed from 17th September 2012 to 24th September 2012 (both days inclusive).
4. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail Id **dpms.kolkata@gmail.com** for quick and prompt redressal of their grievances.
5. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
6. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
7. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
8. Members are requested to intimate change in their address immediately to M/s Purva Sharegistry (India) Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011.
9. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
10. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
11. Members holding shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed form (form 2B) to M/s Purva Sharegistry (India) Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above or to the Compliance Officer at the Registered Office of the Company.
12. Members are requested to bring copies of Annual Report to the Annual General Meeting.
13. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
14. Members are requested to quote Folio Number/DP ID & Client ID in their correspondence.
15. The Equity shares of the Company are listed on Calcutta & Bombay Stock Exchanges and Listing Fees for the financial year 2012-2013 have been paid to both the Stock Exchanges.
16. **Green initiatives in Corporate Governance to receive documents through email by registering your email address :**

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

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

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

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

Kolkata, June 30, 2012

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

**Registered Office :**  
53A, Mirza Ghalib Street  
4<sup>th</sup> Floor, Kolkata-700 016

**Arun Kumar Agarwal**  
Chairman & Managing Director

## Dynamic Portfolio Management & Services Limited

To The Members,

Your Directors have pleasure in presenting the Fifteenth Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2012.

(Rs. in Lacs)

<b>Financial Results</b>	<b>Year Ended 31.03.2012</b>	<b>Year Ended 31.03.2011</b>
Turn over	<b>10526122.46</b>	17138634.00
Profit before Interest & Depreciation	<b>2165623.27</b>	207733.35
Interest	<b>0.00</b>	0.00
Depreciation	<b>48203</b>	115663.79
Profit before Tax	<b>2117420.27</b>	92069.56
Provision for Taxation	<b>723067.68</b>	28449.00
Profit after Tax	<b>1394352.59</b>	63620.56
Balance Carried to Balance	<b>439990.37</b>	(1834342.96)

### BUSINESS OPERATIONS

The Business environment remains extremely challenging and the recessionary economic conditions leading to slowdown in demand and inflation pushed scale up of input costs left its adverse imprint on overall performance for 2011-2012. Directors are pleased to inform that in spite of difficult times, your Company, based on its intrinsic strength, has broadly maintained its performance. Gross income from operations remained in positive figure of ` 14.69 Lac during the year.

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

### FUTURE PLANS

The Current financial year was an ordinary year for the Company. The Company has expanded its business to some extent and was in positive in spite of adverse Market situation and tight monetary situation. The Company is willing to expand this business more and more in both Capital & Money Market and thus willing to deliver to Members of the Company so as the Company give more returns in coming years.

### DIVIDEND

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

### SUBSIDIARY COMPANY

The Company does not have any material non-listed Indian subsidiary whose turnover or net worth (i.e. paid-up capital and free reserves exceeding 20% of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

### MANAGEMENT DISCUSSION & ANALYSIS

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

## **MANAGEMENT**

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

## **DIRECTORS**

In accordance with the provisions of Act and Articles of Association of your Company, Mr. Ritesh Kr. Newatia & Mr. Vikash Kr. Agarwal, Directors of your Company, retires by rotation and are not offering themselves for re-appointment at the ensuring Annual General Meeting.

Further, none of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 the Directors confirm that:

1. In the preparation of the annuals accounts, for the year ended 31st March 2012, all the applicable accounting standards prescribed by the Institute of Chartered Accountants of India have been followed;
2. The Directors had adopted such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors had prepared the annual accounts on a going concern basis.

## **STATUTORY INFORMATION**

The Company being basically into the Financing and Capital Market, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

## **INFORMATION TECHNOLOGY**

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

## **RESEARCH & DEVELOPMENT**

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

## **AUDITORS**

The Auditors M/s Mukesh Choudhary & Associates, Chartered Accountants, Kolkata holds the office until the conclusion of ensuing Annual General Meeting. Your Company has received certificate from the Auditors U/S 224(1B) of the Companies Act, 1956 to the effect that their reappointment if made, will be within the limit prescribed. The shareholders are requested to appoint Auditors and fix their remuneration.

## **COMMENTS ON AUDITOR'S REPORT :**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

**PARTICULARS OF EMPLOYEES**

There were no employees in Company during the year under review.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1975 is reported to be NIL.

**PARTICULARS UNDER SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956**

The Company is having no business other than the business of Investing in Securities Market as well as to lend money to Corporate and HNIs during the year under review and hence the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be NIL.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

**PUBLIC DEPOSITS**

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

**REPORT ON CORPORATE GOVERNANCE**

The Company conforms to the norms of Corporate Governance as envisaged in the Companies Act, 1956 and the Listing Agreement with the Bombay Stock Exchange Limited. Pursuant to Clause 49 of the Listing Agreement, a Report on the Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this report.

**APPRECIATION**

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

Kolkata, June 30, 2012

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

**Registered Office :**  
53A, Mirza Ghalib Street  
4<sup>th</sup> Floor, Kolkata-700 016

**Arun Kumar Agarwal**  
Chairman & Managing Director

The growth in global economy during 2011-2012 was affected due to impact of high oil prices and certain other commodity prices, the spillover from the Japanese natural disasters and monetary tightening in the Emerging Market Economies (EMEs) to contain inflationary pressures. The global market was also disturbed by perceptions of inadequate solutions to the Euro zone sovereign debt problem, exposure of banks to Euro zone and renewed fears of recession. However, during the last quarter of 2011, the immediate financial market pressures in the Euro zone have been alleviated to some extent, by the European Central Bank (ECB) injecting liquidity of more than one trillion Euros through the two long term refinancing operations. Growth in the Euro zone, however, was negative in quarter IV. The Emerging and Developing Economies (EDEs) are showing signs of slowdown in growth. As a result, the global growth for 2012 and 2013 is expected to be lower than anticipated earlier.

In US, apart from fiscal concerns, high unemployment and weak housing markets continued to weigh on consumer confidence and private consumption. The recent macroeconomic data for the US economy show some positive signs. In particular, the labour market conditions have improved.

Indian Economy has witnessed a disturbing turn of events. During the year under review, the Indian Economy recorded a growth of 6.9 percent as compared to 8.4 percent in previous year. Both foreign and domestic investors became jittery in the last few months owing to persistent inflation, fiscal deficits, and lack of meaningful reforms in the Indian economy and continued global uncertainty that lead to lower capital inflows. This has also resulted in sharp depreciation of rupee against US dollar from a level of INR 43.94 per USD on 27th July, 2011 to an all-time low of INR 54.23 per USD on 15th December, 2011.

Rupee depreciation has also resulted in an increase in fuel prices as well as commodity prices. High volatility in Forex Market prompted RBI to take several measures for augmenting foreign exchange reserves and for curbing the speculation in foreign exchange.

Reserve Bank of India made adjustments 13 times in policy rates since March 2010 to control inflation and this lead to an increase in lending rate for commercial borrowings and thus resulting in lower growth in the Indian Economy.

However in March 2012, Reserve Bank of India reduced the CRR from 5.5 percent to 4.75 percent to take care of structural liquidity deficit. Further on 17th April, 2012 Reserve Bank of India cut the repo rate by 50 bps to 8 percent with immediate effect, reverse repo rate, with a spread of 100 bpps below repo rate adjusted to 7 percent. This decision to cut the rate was due to growth decelerating significantly to 6.1 percent in the 3rd quarter of the last year and also due to WPI inflation moderating to below 7 percent by March 2012.

### REVIEW OF OPERATIONS

The operational performance for the current year is not strictly comparable with that of 2011 due to the fact that performance of previous year was lack luster due to non-availability of appropriate fund as well as severe loss in Capital Market activities.

The Company registered a gross income of ₹ 105.27 Lacs as compared to profit of ₹ 171.39 Lac in previous financial year. PBIT Margin during the year remains ₹ 21.18 Lac in comparison to last years' figure of ₹ 0.92 Lac whereas Net Profit remains at ₹ 13.95 Lac in comparison to last years' figure of ₹ 0.64 Lac.



## **BUSINESS SEGMENT**

During the year, the Company was into the business of Investment in Capital and Money Market in accordance with the Accounting Standard 17 notified by Companies (Accounting Standards) Rules 2006.

## **OPPORTUNITIES**

Money markets exist to facilitate efficient transfer of short-term funds between holders and borrowers of cash assets. For the lender/investor, it provides a good return on their funds. For the borrower, it enables rapid and relatively inexpensive acquisition of cash to cover short-term liabilities. One of the primary functions of money market is to provide focal point for RBI's intervention for influencing liquidity and general levels of interest rates in the economy. RBI being the main constituent in the money market aims at ensuring that liquidity and short term interest rates are consistent with the monetary policy objectives.

In Stock Market or Capital Market, the first and for most thing of strength is its ability to provide high return. SEBI is a regulatory body of Indian stock market which protects the interest of the investors which is an added benefit of Stock Market. Large number of securities which provides medium for investment and thus people can make money by way of investing in Stock Market. Large numbers of Brokers are there in Market who plays a role of facilitator for investment.

## **THREATS & CONCERNS**

India may actually end up seeing off an opportunity as a threat. This would largely be driven by the country's weak ability to carry out plans in time due to its political and bureaucratic quality, which is increasingly being accepted as corrupt and inefficient.

Why we say that it would pass off the opportunity as a threat is because this may happen despite India having a top class think tank alive to possible solutions and various scenarios that may emerge.

The current recession does not appear as a purely economic one, and nor will the fallouts be restricted to economics alone. While factors that lead me to conclude this are many, one can quickly look at the maddening fluctuation in oil prices and try convincing them that this is truly economic demand and supply at work. I stand unconvinced.

This recession is a test of political leadership across the world and of the belief in a global economic order.

Unfortunately, performance on both these counts by India's politicians has been far from impressive. One can see it in the state of infrastructure, the delay in taking crucial action and the immediate raising of protective barriers when a global meltdown commenced.

However this can be handled by way of undertaking large private participation projects, Investment and regulate education with a twofold objective - Improve the quality of India's huge population presently in working age group and second undertake effective and radical reforms to ensure all children visit at least part time school, by way of Tax reforms that bring some order in central vs. state taxation. Cracking down on corruption, which is India's single most important threat. Empowering the Vigilance Commission and set up an executive body not answerable from the political framework (like the army / judiciary) with special windows with judiciary for time bound trials. Focus on ground level corruption initially to ensure public's respect for the law is reinforced first. It would also be more agreeable to the politicians, so there may be a chance that it happens.

## **RISK MANAGEMENT**

We follow Enterprise Risk Management (ERM) tool designed to clarify the risk levels and encourage behavior throughout the Group. The process considers opportunities and threats to short and medium term objectives as defined. ERM ensures the coordination and development of risk management activities throughout all decision making levels and communicates all significant risks to the top level of management. The tool is

designed to provide the risk score measures for each of the potential risk as well as its financial, reputational and operational impact by way of quarterly report. The report provides for categorization of risk into threat or opportunity and provides brief statement on its cause, impact, treatment, control measures, level of confidence in the controls, acceptability of identified risks, potential improvements, risk improvement plans critical success factors and target dates to control the risk. The risk assessment is done annually with quarterly updates. The process has been designed to deliver timely results.

The Company has aligned its policy on risk assessment in line with global approach and risk assessment reports are reviewed on regular intervals. The Company has adopted a focused approach towards risk management in the form of a corporate insurance program which has the goal of optimizing the financing of insurable risks by using a combination of risk retention and risk transfer. The program covers all potential risks relating to business operations of the Company at its various locations.

The Company's business critical software is operated on a server with regular maintenance and back-up of data and is connected to centralized computer center with two physically separated server parks operated by the Company. The system's parallel architecture overcomes failures and breakdowns. Reliable and permanently updated tools guard against virus attacks. The global communication network is managed centrally and is equipped to deal with failures and breakdowns. Updated tools are regularly loaded to ensure a virus free environment.

### **INTERNAL CONTROL SYSTEMS AND ADEQUACY**

The Company has implemented a comprehensive system of internal controls and risk management systems for achieving operational efficiency, optimal utilisation of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed by both internal and external agencies for its efficiency and effectiveness. Management information and reporting system for key operational activities form part of overall control mechanism.

The Company has retained the services of independent firms of professionals to function as internal auditors and provide reports on various activities covering observations on adequacy of internal controls and their recommendations. Findings of internal audit reports and effectiveness of internal control measures are reviewed by top management and audit committee of the Board. During the year, internal audit team of Company performed audits of major operational areas of the Company and carried out elaborate checks and verification and shared their findings with top management for remediation of minor gaps wherever required.

### **HUMAN RESOURCES**

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2011-12, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

The Company believes that learning is an ongoing process. Towards this end, the Company has built a training infrastructure which seeks to upgrade skill levels across grades and functions through a combination of in-house and external programme.

**The total number of employees on the rolls of the Company as on 31st March 2012 was 5 as against 4 as at 31st March 2011.**

## **CORPORATE SUSTAINABILITY AND SOCIAL RESPONSIBILITY**

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

## **CAUTIONARY STATEMENT**

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## **COMPLIANCE**

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

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

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years except re-instatement fees paid to BSE for revocation of suspension from trading in the Equity Shares of the Company.

**Annexure to the Directors' Report**

**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is the set of systems and practices to ensure that the affairs of the Company are being managed in a way that ensures accountability, transparency and fairness in all its transactions and meet its stakeholders' aspirations and societal expectations.

Dynamic Portfolio Management & Services Limited (DPMSL) is committed to international compliance standards, to ensure checks and balances between the board and management as well as a sustainable approach to value creation. In defining the management structure, organisation and processes of the Company, the corporate governance principles aim to provide stakeholders value and transparency to promote sustainable long-term success. This is demonstrated in shareholders returns, high credit ratings, governance processes and customer focused work environment. The Company believes that adherence to business ethics and commitment to corporate governance will help the Company to achieve its goal of maximizing value for all its stakeholders and endeavors to not only match international standards but also strives to set a benchmark for corporate governance initiatives.

**BOARD OF DIRECTORS**

**Composition of Directors**

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

All the Directors are liable to retire by rotation as per Article 128 of the Article of Association and eligible for re-election.

None of the non-executive directors has any material pecuniary relationships or transactions with the company, its promoters, directors and associates which in their judgment would affect their independence. None of the directors are inter-se related to each other.

The Board of Directors met 4 times on 22nd April, 12th August and 11th November in year 2011 and on 14th February in the year 2012 during the financial year 2011-2012.

The composition and category of the Board of Directors as at March 31, 2012, the number of other Directorships/Committee memberships held by them and also the attendance of the Directors at the Board meetings of the Company are as under:

## Dynamic Portfolio Management & Services Limited

Name	Designation	Board Meetings Attended	Whether Attended AGM	Committee Membership	Committee Chairmanship	No. of Directorship in order Public Ltd. Co.
Arun Kr. Agarwal	Chairman & Managing Director	4	Yes	2	Nil	Nil
Ravi Kr. Newatia	Whole time Director	4	Yes	Nil	1	Nil
Ritesh Kr. Newatia	Promoter Director	4	Yes	1	Nil	Nil
Prasanta Dhar	Independent Director	4	Yes	2	Nil	Nil
Vikash Kr. Agarwal	Independent Director	4	Yes	1	2	Nil
Ashok Bothra	Independent Director	4	Yes	8	3	4

### Audit Committee

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

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Dynamic Portfolio Management & Services Ltd., (the "Company") in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, stock exchanges and others, (b) the Company's compliances with legal and regulatory requirements, (c) the Company's independent auditors' qualification and independence, (d) the audit of the Company's Financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

### Authority and Responsibilities

The Audit Committee reviews the Company's financial reporting process, disclosure of accounting treatment, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, Compliance with listing and other legal requirements relating to financial statements, disclosure norms, internal control systems, risk management policies, accounting policies and practices, ensuring the quality and appropriateness of the Company's accounting and financial disclosures as well as quarterly/half yearly financial statements. It recommends appointment of Statutory Auditors fixes audit fees and reviews internal control systems, Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, scope for observations of the auditors and adequacy of the internal audit function, discussion with internal auditors any significant findings and follow up there on, To review the functioning of the Whistle Blower mechanism, Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate etc.

In addition to the above, Audit Committee reviews the followings :

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
4. Internal audit reports relating to internal control weaknesses;

5. To review the annual financial statements and to recommend their adoption to the Board, with particular reference to disclosure of any related party transaction.
6. To review the Quarterly financial statements and recommend their adoption to the Board.
7. The appointment, removal and terms of remuneration of the Chief internal auditor;

As required under Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement, the new "Terms of Reference" of the Audit Committee were approved by the Board of Directors at its meeting held on 12th November 2010.

The Audit Committee reconstituted on 22nd April 2012.

The members of Audit Committee met 4 times on 22nd April, 12th August and 11th November in year 2011 and on 14th February in the year 2012 during the financial year 2011-2012.

Name	Number of Meetings Held	Meetings Attended
Arun Kr. Agarwal	4	4
Prasanta Dhar	4	4
Vikash Kr. Agarwal*	4	4

\* Chairman of the Committee

#### **REMUNERATION COMMITTEE**

Since the Company does not have remuneration Committee (constitution of which is a non-mandatory requirement), the details pertaining to the same are not provided.

#### **Details of Remuneration paid to Directors**

- The payment of salary to Directors was Nil during the financial year 2011-2012.
- No Stock option has been allotted to any of the Directors during the financial year 2011-2012.
- None of the Independent Directors holds any shares in their name or in the name of their relatives.

#### **SHARE TRANSFER COMMITTEE**

The Board of Directors has constituted Share Transfer Committee under the Chairmanship of Mr. Ravi Newatia; whole time Director with two other Independent Director namely Mr. Prasanta Dhar & Mr. Vikas Agarwal.

The members of Share Transfer Committee met four times on 30th July, 26th August and 29th October in year 2011 & on 28th January 2012 during the financial year ended on 31st March 2012.

Name	Number of Meetings Held	Meetings Attended
Mr. Prasanta Dhar	4	4
Mr. Ravi Newatia*	4	4
Mr. Vikash Agarwal	4	4

\*Chairman of Committee

## SHAREHOLDERS / INVESTOR GRIEVANCE COMMITTEE

The Board of Dynamic Portfolio Management & Services Limited has constituted a Committee of Directors, which inter-alia also functions as “Shareholders/Investors” Grievance Committee, consisting of three members, chaired by a Non-Executive, Independent Director. The Committee meets once a month and inter-alia, deals with various matter relating to:

- ✓ Transfer/transmission/transposition of shares;
- ✓ Consolidation/splitting of shares/folios;
- ✓ Issue of Share Certificates for lost, sub-divided, consolidated, rematerialize, defaced etc;
- ✓ Review of Shares dematerialized and all other related matters; and
- ✓ Investors’ grievances and redressal mechanism and recommend measures to improve the level of Investor Services.

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

The Minutes of Shareholders’/Grievances Committee are noted by the Board of Directors at the Board Meetings.

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

### Compliance Officer

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

### Composition of Committee and Meetings attended

During the year, twelve meetings of the Committee of Directors were held on April 4, May 2, June 1, July 1, August 2, September 1, October 3, November 2, and December 1st in year 2011 and on January 3, February 1 and March 2 in year 2012.

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

Name	Position	Category	Meetings Attended
Mr. Ritesh Newatia	Chairman	Wholetime Director	12
Mr. Arun Kr. Agarwal	Member	Chairman & Managing Director	12
Mr. Vikash Agarwal*	Member	Independent, Non-Executive	12

\*Chairman of Committee

### Details of Shareholders’ Complaints

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

The Company has designated email ID under Clause 47(f) of Listing Agreement and the same is dpms.kolkata@gmail.com to lodge Investor complaints.

### General Body Meetings

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
16 <sup>th</sup> Annual General Meeting	17 <sup>th</sup> August 2011, 11.00 AM	53-A, Mirza Ghalib Street 4 <sup>th</sup> Floor, Kolkata-700 016
15 <sup>th</sup> Annual General Meeting	31 <sup>st</sup> July 2010, 11.00 AM	53-A, Mirza Ghalib Street 4 <sup>th</sup> Floor, Kolkata-700 016
14 <sup>th</sup> Annual General Meeting	29 <sup>th</sup> September 2009, 10.30 AM	53-A, Mirza Ghalib Street 4 <sup>th</sup> Floor, Kolkata-700 016

### Special Resolution passed at last three Annual General Meetings:

During financial year 2008-09 no Special Resolution has been passed in any of Annual General Meetings however in year 2009-10, Special Resolution was passed for appointment of Mr. Ashok Bothra as Independent, Non-Executive Director in year 2010-11, Special Resolution was passed for appointment of Mr. Prashant Dhar as Independent, Non-Executive Director.

### Passing of Resolution by Postal Ballot:

No Resolution has been passed through Postal Ballot Rules, 2011 during last three financial years.

### Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting was held by the Company during the financial year ended 31st March 2012.

## BOARD DISCLOSURES

### RISK MANAGEMENT

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

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

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

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

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



## **INSIDER TRADING**

The Securities and Exchange Board of India (SEBI) has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purposes of prevention of Insider Trading.

Pursuant to the above requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended, the Company has adopted a `Code of Conduct` for Prevention of Insider Trading (The Code) with effect from October 1, 2002. The Code is applicable to all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Compliance Officer has been appointed for monitoring adherence to the said Regulations.

## **DISCLOSURES**

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

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

c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 1992) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. However whistle blower policy has not been formed during the year under review. Further, we affirm that no personnel has been denied access to the Audit Committee.

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

## **DISCLOSURES ON NON-MANDATORY REQUIREMENTS**

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

a) None of the Independent Directors on the Board of the Company has served for the tenure of exceeding nine years. The Company has ensured that the person who is being appointed as an Independent Director has the requisite qualifications and experience which would be of use to the Company and which in the opinion of the Company would enable him to contribute effectively to the Company in his capacity as an Independent Director.

b) The Company has not setup Compensation and Remuneration Committee.

c) We publish our quarterly results and half yearly results in widely circulated newspapers whereas we did not send half yearly results to any of shareholders.

d) The financial statements of the Company are unqualified.

e) The Board of Directors of the Company at its meeting held on 26th August 2011 has adopted the Whistle Blower Policy and appointed an ombudsperson. Employees can report to the Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee.

#### **MEANS OF COMMUNICATIONS**

- The Company regularly provides information to the Stock Exchanges as per the requirements of the listing Agreement.
- The Quarterly/Half Yearly/Nine Months & Annual Results have been submitted to Bombay Stock Exchange Ltd. (BSE) and Calcutta Stock Exchange Association Ltd. (CSE) and also have been published in the leading English Newspapers i.e. Eco of India and in vernacular language Newspaper i.e. Arthkruti.
- Company is posting its Quarterly Results/Half Yearly/ Nine Months & Annual Results on its website namely [www.dynamicwealthservices.com](http://www.dynamicwealthservices.com)
- The Company has its own website namely [dynamicwealthservices.com](http://dynamicwealthservices.com) wherein Company regularly updates its Shareholding Pattern, Quarterly Results, Corporate Governance Report, Code of Conduct as well all those events which occurs from time to time.
- No formal representations were made to Institutional Investors or Analysts during the year under review.
- Management Discussion and Analysis forms part of the Annual Report will be posted to the shareholders of the Company.

#### **GENERAL SHAREHOLDER INFORMATION**

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

#### **SHAREHOLDERS' INFORMATION**

##### **a. Next Annual General Meeting**

The information regarding 17th Annual General Meeting for the financial year ended on 31st March 2012 is as follows :-

Date : 24th September 2012  
 Time : 11.00 A.M.  
 Venue : 53-A, Mirza Ghalib Street, 4th Floor, Kolkata-700 016.

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

**c. Future Calendar** :

<b>Subject Matter</b>	<b>Date</b>
Financial Reporting of 1 <sup>st</sup> Quarter ended on 30 <sup>th</sup> June 2012	14 <sup>th</sup> August, 2012
Financial Reporting of 2 <sup>nd</sup> Quarter ended on 30 <sup>th</sup> September 2012	15 <sup>th</sup> November 2012
Financial Reporting of 3 <sup>rd</sup> Quarter ended on 31 <sup>st</sup> December 2012	15 <sup>th</sup> February 2013
Financial Reporting of 4 <sup>th</sup> Quarter ended on 31 <sup>st</sup> March 2013	30 <sup>th</sup> May 2013
Date of Annual General Meeting	During September 2013

**d. Date of Book Closure** : September 17 to September 24, 2012. (Both days inclusive)

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

**f. Listing of Shares** : Calcutta and Bombay Stock Exchange

## Dynamic Portfolio Management & Services Limited

- g. Custody Charges & Listing Fees** : Annual Custody Charges to NSDL & CDSL and Annual Listing Fees for Financial year 20012-2013 have been paid.
- h. Stock Code & ISIN Code** : 530779 on BSE & 14037 on CSE  
: INE118C01018 on CDSL & NSDL
- i. Market Price Data** :

Month	Price on BSE (₹) & Volume			BSE Sensitive Index	
	High	Low	Volume	High	Low
November 2011	50.00	13.26	4333	17702.26	15478.69
December 2011	13.00	6.96	2368	17003.71	15135.86
January 2012	10.41	7.34	13473	17258.97	15358.02
February 2012	7.17	5.18	31421	18523.78	17061.55
March 2012	5.38	4.53	24440	18040.69	16920.61

The Scrip was suspended from Trading during the period from April 2011 to October 2011.

**j. Registrar & Share Transfer Agent.**

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

**M/s. Purva Sharegistry (India) Pvt. Ltd.**

9, Shiv Shakti Ind. Estate, Ground Floor, J. R. Boricha Marg, Lower Parel, Mumbai-400 011

Tel : 022-23016761, Website : [www.purvashare.com](http://www.purvashare.com)

**k. Share Transfer Systems**

The Share transfer is processed by the Registrar & Share Transfer Agent, **Pruva Sharegistry (India) Private Limited** and approved by Share Transfer Committee, if the documents are complete in all respects, within 21 days from the date of lodgment.

**l. Shareholding Pattern as on 31<sup>st</sup> March 2012**

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	1517000	12.97
Indian Bank / Mutual Funds	0	0.00
NRI/OCBS	0	0.00
Private Corporate Bodies	3398909	29.07
Indian Public	6728713	57.56
Hindu Undivided Families (HUF)	47178	0.40
<b>Total .....</b>	<b>11691800</b>	<b>100.00</b>

**m. Distribution of Shareholding as on 31<sup>st</sup> March 2012.**

No. of Equity Shares	No. of Equity Holders	% of Share Holders	Total No. of Shares Held	% of Share Holders
1-5000	798	59.60	200535	1.72
5001-10000	166	12.40	133300	1.14
10001-20000	131	9.78	189918	1.62
20001-30000	82	6.12	211226	1.81
30001-40000	39	2.91	136300	1.17
40001-50000	8	0.60	37100	0.32
50001-100000	43	3.21	312995	2.68
100001 and Above	72	5.38	10470426	89.54
<b>Total....</b>	<b>1339</b>	<b>100.00</b>	<b>11691800</b>	<b>100.00</b>

**n. Dematerialization of Shares & Liquidity**

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

**Procedures for dematerialization / rematerialization of Equity Shares:-**

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

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

The Shares of Company are under "B" category on Bombay Stock Exchange Ltd. 76.07% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2012.

**o. Nomination**

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the by-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**p. Listing Fees & Annual Custodial Fees**

The Company has paid the Annual Listing Fees for year 2011-2012 to BSE & CSE. Annual Custodial Fees to both the Depositories for the year 2011-2012 have also been paid.

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

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

**r. Investors Correspondence**

Shareholders can contact the following Officials for secretarial matters of the Company :-

Ms. Suruchi Garodia - dpms.kolkata@gmail.com

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

Not Applicable.

**t. Code of Conduct**

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

**u. Address for Correspondence**

53-A, Mirza Ghalib Street, 4th Floor, Kolkata-700 016

Email: dpms.kolkata@gmail.com

**Chairman & Managing Director's Declaration on Code of Conduct**

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

To  
The Members of

**Dynamic Portfolio Management & Services Limited**

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
- (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.
- (e) We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct for the current Financial Year.

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

**Arun Kumar Agarwal**  
Chairman & Managing Director

**Secretarial Compliance Report for the Year ended 31st March 2012**

To  
The Board of Directors,  
Dynamic Portfolio Management & Services Limited  
Kolkata-700 016

We have examined the registers, records and papers of M/s. Dynamic Portfolio Management & Services Limited as required to be maintained under the Companies Act, 1956, (hereinafter referred to as "The Act"), the rules made there under and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the year ended 31st March 2012.

On the basis of our examination as well as information and explanations furnished by the Company and the records made available to us, we report that:

1. The Company has kept and maintained all registers and records as per Annexure "A" to this certificate, as per the provisions of the Companies Act 1956 (the Act) and the rules made there under and all entries therein have been duly recorded during the year.
2. The Company has filed the forms and return as stated in Annexure "B" to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company has given proper notice along with the agenda for convening of Board Meeting, Committee Meetings and Annual General Meetings during the year.
4. The proceedings of the Meetings were properly recorded in the Minutes Books during the year.
5. The Board of Directors of the Company is duly constituted during the year.
6. The Company has obtained all the necessary approvals from the Board and Shareholders as required by the Act during the year.
7. The Company has not accepted any Deposit in terms of Section 58A of the Act read with Companies (Acceptance of Deposit) Rules, 1975 during the year.
8. The Company has complied with the provisions of section 154 of the Act during the year.
9. No Extra-Ordinary General Meeting was held during the year.
10. The Company has not paid remuneration to the Managing Director and sitting fees to the other Directors of the Company during the year in terms of section 198, 269, 309 read with Schedule XIII of the Act.
11. The Company has not appointed any sole selling agent in terms of section 294 of the Act during the year.
12. The Company has not advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Act during the year.
13. The Company has not entered into any transactions, which falls under section 297 of the Act during the year.
14. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions section 299 of the Act.
15. The Company has not appointed any person as a place of profit in terms of section 314 of the Act during the year.
16. The Company has not issued any duplicate share certificate during the financial year.
17. The Company has complied with the provisions of section 372A of the Act.
18. The Company :
  - a) Has delivered all the Share Certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act;
  - b) Was not required to deposit any amount in a separate Bank Account as the Company has not declared any Dividend during the year.

## Dynamic Portfolio Management & Services Limited

- c) Was not required to post warrants to any member of the Company as no dividend was declared during the financial year.
  - d) Was not required to transfer any amount to Investor Education and Protection Fund.
  - e) Was duly complied with the requirement of section 217.
19. The Board of Directors of the Company is duly constituted and there was no appointment of Additional Director/s alternate Director/s and Directors to fill the casual vacancy during the financial year.
  20. The Company was not required to obtain approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under the various provisions of the Act.
  21. The Company has not issued any Shares, Debentures or other Securities during the financial year.
  22. The Company has not bought back any share during the financial year.
  23. There was no redemption of preference shares or debentures during the financial year.
  24. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
  25. As per the information and explanation given, the Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 15A during the financial year.
  26. The Company has not borrowed fund from its Directors, members, public, financial institutions, banks and others during the financial year ending on 31st March 2012.
  27. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny
  28. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
  30. The Company has not altered its Memorandum of Association and Articles of Association with respect to the Share Capital of the Company during the year under scrutiny.
  31. There was no prosecution initiated against the Company, or Show Cause Notices received by the Company, for offences under the Act.
  32. The Company has not received any money as security from its employees during the financial year 2011-12.

**For P. D. Pandya & Associates  
Company Secretaries**

Place : Mumbai  
Date : June 30, 2012

**Paresh D. Pandya**  
Proprietor  
C. P. No. 4869



**Annexure “A”**

Register as maintained by the Company :-

Statutory Registers :

1. Register of Members u/s 150
2. Register of Directors, Managing Director, Manager and Secretary u/s 303
3. Register of Disclosures of Interest by Directors u/s 301(3)
4. Minutes Book u/s 301
5. Register of Directors Shareholding u/s 307

**Annexure “B”**

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending on 31st March 2012.

Sr. No.	Form N. / Return	Filed u/s	For	SRN	Date of filing and Payment of Challan	Whether filed within prescribed time Yes / No	If delay in filing whether requisite additional Fees paid Yes/No
1.	Form 23AC and ACA for the Financial Year ended on 31st March 2011	220	Annual Requirement	P72361280	12th Oct 2011	Yes	N. A.
2.	Form 20B for the Financial Year ended 31st March 2012	159	Annual Requirement	P82325879	8th Dec 2011	Yes	N. A.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members of Dynamic Portfolio Management & Services Ltd.**

We have examined the compliance of the conditions of Corporate Governance by **Dynamic Portfolio Management & Services Ltd. (The Company)** for the year ended 31st March 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with all stock exchanges where the Shares of Company are listed.

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

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors Grievances Committee.

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

For **Mukesh Choudhary & Associates**  
Chartered Accountants

Place : Kolkata  
Date : June 30, 2012

**Ranjit Kr. Modi**  
Partner

**Audit Report**

To the Members of **Dynamic Portfolio Management & Services Limited**

We have audited the attached Balance Sheet of Dynamic Portfolio Management & Services Limited as at 31st March 2012 and also the Profit & Loss Account for the year ended on that day annexed hereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- a. As required by the Companies (Auditors' Report) Order, 2003 issued by the Department of Company Affairs in terms of Section 227 (4A) of the Companies Act 1956, we enclose in the Annexure, a statement on the matter specified in the said Order to the extent applicable;
- b. Further to our comments in the annexure referred to in paragraph 1 above –
  - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii. The Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts'
  - iv. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement together with notes of accounts dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act 1956.
  - v. On the basis of written representations received from the Directors, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;
  - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act 1956, and give a true and fair view in conformity with the accounting principles generally accepted in India :-
    - a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012;
    - b. in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
    - c. in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For **Mukesh Choudhary & Associates**  
Chartered Accountants

Place : Kolkata  
Date : June 30, 2012

**Ranjit Kr. Modi**  
Partner

**Annexure to the Auditors' Report**

(Referred to in Paragraph 1 of our report of even date)

1. (a) The Company has maintained memorandum of Fixed Assets Register showing full particulars including quantitative details and situations of fixed assets.  
(b) As per the information and explanations given to us, the Company has carried out physical verification of fixed assets during the year. In our opinion, the frequency of such verification is reasonable.  
(c) Any substantial part of fixed assets has not been disposed off during the year, which will affect its status as a going concern.
2. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

3. (a) According to the information and explanation given to us and on the basis of records furnished before us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
(b) In view of above, Clause 4(iii)(a),(b),(c) and (d) of Companies (Auditors' Report) Order, 2003 are not applicable.  
(c) According to the information and explanation given to us and on the basis of records furnished before us for the verification, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Act.  
(d) In view of above, clause 4(iii)(e), (f) and (g) of Companies (Auditors' Report) Order, 2003 are not applicable.
4. In our opinion and according the information & explanations given to us, there is an adequate internal control procedure commensurate with the size of the Company and nature of business for the purchase of fixed assets and for the sale of services. During the course of our Audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. (a) In our opinion and according the information & explanations provided by the management, the particulars of contract or arrangements that were required to be entered in the register maintained under Section 301 of the Companies Act 1956 have been so entered in the said register.  
(b) In our opinion and according the information & explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of ` five lac have been entered into during the financial year at prices which are prima-facie reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public hence Clause 4(vi) of Companies (Auditors' Report) Order 2003 is not applicable.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We are informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act 1956 in respect of products dealt with by the Company.
9. (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including Provident Fund, Investors' Education & Protection Fund, Employees State Insurance Scheme, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, CESS and any other statutory dues have been regularly deposited in time during the year with appropriate authorities and there are no undisputed statutory dues payable for a period of six months from the date they

became payable as at 31st March 2012.

- (b) According to the information and explanation given to us there are no disputes pending before the authorities in respect of Sales Tax, Income Tax, Custom Duty and CESS.
10. The Company does not have accumulated losses as at the end of financial year and has not incurred cash losses in the current financial year and in the immediate preceding financial year.
  11. According to the records made available to us and information and explanation given to us by the management, the Company has not defaulted in repayment of any dues to financial institutions or banks.
  12. According to the information and explanations given to us, the Company has not granted any loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. In our opinion, the Company is not chit fund, nidhi, mutual fund and societies and accordingly clause 4(xiii) of Companies (Auditors' Report) Order, 2003 is not applicable.
  14. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts relating to dealing in shares, securities and other investments during the year and timely entries have been made therein. Further, such securities have been held by the Company in its own name or are in the process of transfer in its name, except to the extent of the exemption granted section 49 of the Act.
  15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from Banks & Financial Institutions. Accordingly Clause 4(xv) of Companies (Auditors' Report) Order, 2003 is not applicable.
  16. In our opinion and according to the information and explanations given to us, the Company has not obtained any Term Loan. Accordingly Clause 4(xvi) of Companies (Auditors' Report) Order, 2003 is not applicable.
  17. According to the information and explanations given to us and on the basis of and overall examination of the Balance Sheet of the Company, no funds raised on short term basis have been utilized for long term investment and vice versa.
  18. The company has not made preferential allotment of shares to parties and/or to the companies covered in the register maintained under section 301 of the Companies Act 1956. Therefore, the provisions of clause 4(xviii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
  19. During the period, the Company has not issued unsecured debentures on private placement basis and therefore, the provisions of clause 4(xix) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
  20. The Company has not raised any money through public issue during the year and therefore, the provisions of clause 4(xx) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
  21. During the course of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the period nor we have been informed of such instances by the management.

For **Mukesh Choudhary & Associates**  
Chartered Accountants

Place : Kolkata  
Date : June 30, 2012

**Ranjit Kr. Modi**  
Partner

**SCHEDULE 12**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012**

**Significant Accounting Policies General**

**Basis of Preparation of Financial Statements**

1. The Financial Statements are prepared on mercantile basis under the historical cost convention in accordance with the generally accepted accounting principles in India, Accounting Standards notified under section 211(3C) of the Companies Act 1956, read with the Companies (Accounting Standard) Rules, 2006 and the other relevant provisions of the Companies Act, 1956.

**Revenue Recognition**

2. All revenue and expenses are accounted on accrual basis.

**Fixed Assets**

3. Fixed Assets are stated at cost less Depreciation, cost comprises the purchases price and other attributable costs. Depreciation on assets is provided on written down value method as per rates prescribed in Schedule XIV to the Companies Act 1956.

**Depreciation**

4. Depreciation is provided on Straight-line basis at the rates prescribed in Schedule XIV to the Companies Act 1956.
5. Depreciation on additions/ deletions is calculated on pro-rata with respect to date of addition/ deletions.

**Inventories**

6. Stock-in-Trade is valued at cost or market value whichever is lower (Scrip wise).

**Investments**

7. Stock / Securities acquired and intended to be held for a longer period are classified as Investments.
8. Investments are valued at cost of acquisition with the provision where necessary for diminution, other than temporary, in the value of investments.

**Retirement Benefit**

9. None of the Employee has completed the service period to become eligible for payment of gratuity.

**Income Tax**

10. Tax expenses comprise of current, deferred and fringe benefit tax.
11. Provision for current income tax and fringe benefit tax is made on the basis of relevant provisions of Income Tax Act, 1961 as applicable to the financial year.
12. Deferred Tax is recognized subject to the consideration of prudence on timing differences, being the difference between taxable Income and Accounting Income that originate in one period and are capable of reversal in one or more subsequent periods.

**Provisions, Contingent Liabilities & Contingent Assets**

13. The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
14. A disclosure for a contingent liability is made when there is a possible obligation or present obligation that probably will not require an outflow of resources or where reliable estimate of the amount of the obligation cannot be made.
15. Contingent Assets are neither recognized nor disclosed.

**Others**

16. None of the Raw Materials, Stores, Spares and Components consumed or purchased during the year have been imported.
17. None of the Earnings / Expenditures is in Foreign Currency.
18. Balance of Debtors, Creditors, Deposits, Loans and Advances are subject to confirmation.
19. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated if realized in the ordinary course of business. The provision for depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary.
20. Investments of the Company have been considered by the management to be of a long term nature and hence they are long term investments and are valued at cost of acquisitions.

**Segment Report**

21. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company is primarily engaged in NBFC Activities as well as Investments in Shares & Securities. As informed to us, there are not separate segment within the Company as defined as 17 (Segment Report).

**Notes to Accounts**

22. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value state, if realized in the ordinary course of business. Provisions for all known liabilities are adequate and not in excess of the amount considered necessary for the same.

**Contingent Liabilities**

23. Contingent Liabilities not provided for – Rs. Nil

**Particulars of Director's Remuneration (In Rupees)**

24. Rs. Nil has been paid to Directors as Directors' Remuneration for the Year (P.Y. Rs. Nil)

**Related Party Transactions**

25. Key Management Personnel –
  - a. Mr. Arun Kr. Agarwal
  - b. Ravi Kr. Newatia
  - c. Ritesh Kr. Newatia
  - d. Prasanta Dhar
  - e. Vikash Kr. Agarwal
  - f. Ashok Bothra

## Dynamic Portfolio Management & Services Limited

26. Subsidiary & Group Companies or Companies under same management –

- i. Ritesh Real Estates Pvt Ltd
- ii. Ritesh Construction Pvt Ltd
- iii. Charisma Combines Pvt Ltd
- iv. Ranisati Mercantiles Pvt Ltd
- v. Indo Polysacks Pvt Ltd
- vi. Shiv Shankar Securities Pvt Ltd
- vii. Speed Business Pvt Ltd
- viii. Ritesh Stock Broking Pvt Ltd
- ix. Om Vincom Pvt Ltd
- x. VPL Oil Marketing Pvt Ltd
- xi. Darshan Vyapaar Pvt Ltd

27. Details of transactions with related parties –

Transaction with related parties	Subsidiary Companies	Key Management Personnel & Relatives
<b>Remuneration</b>	-	Nil
	( - )	(Nil)
Investments:		
<b>Investment in Subsidiary</b>		-
	( - )	( - )
<b>Investment in Group Cos.</b>	3045050	-
	3645050	( - )

### Differed Tax on Income

28. Differed Tax Asset (Net) for the year ended 31st March 2012 amounts to Rs Nil

29. Remuneration to Auditors

Particulars	31.03.2012	31.03.2011
Remuneration to Auditors for Audit Purpose	7000	7000

### Earning per Equity Share

30.

	Unit	31.03.2012	31.03.2011
Net Profit after Tax available for Share holders	Rs.	1394353	63621
No. of Equity Shares	No.	11691180	11691180
Basis & Diluted Earning Per Share (Rs.)	Rs.	0.12	0.00



## Dynamic Portfolio Management & Services Limited

31. Sundry Debtors and creditors are subject to confirmation and reconciliation.
32. There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2012. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
33. Information pursuant to provisions of paragraph 3,4(C) and 4(D) of Part II of Schedule VI of the Companies Act, 1956 to the extent applicable is as under:
34. Details of sales and purchases in respect of stock in trade:

Opening Stock		Purchases		Sales		Closing Stock	
Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
746461	7856122	16250	2350000	14750	2950000	747961	7256122
1058461	14233897	253000	3400000	565000	9777775	746461	7856122

35. Previous years' figures have been regrouped, rearranged wherever necessary to make them comparable with those of current year.

**As per our report of even date**

**For M/s. Mukesh Choudhary & Associates  
Chartered Accountant**

**Ranjit Kr. Modi**  
Partner

Kolkata, June 30, 2012

**Arun Kr. Agarwal**  
Director

**Ravi Kr. Newatia**  
Director

# Dynamic Portfolio Management & Services Limited

## BALANCE SHEET AS AT 31ST MARCH, 2012

	Note No.	31.3.2012 Amount (Rs.)	31.3.2011 Amount (Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHARE HOLDERS' FUNDS</b>			
a) Share Capital	3	116129450.00	116129450.00
b) Reserve and Surplus	4	(439990.37)	(1834342.96)
		<b>115,689,459.63</b>	114,295,107.04
<b>2. NON- CURRENT LIABILITIES</b>			
a) Long - term borrowings	5	146849.75	252293.60
c) Long - term Provisions	6	388701.72	148488.00
		<b>535551.47</b>	400781.60
<b>3. CURRENT LIABILITIES</b>			
c) Other Current Liabilities	7	7000.00	26000.00
d) Short Term Provisions	8	742743.00	51498.00
		<b>749743.00</b>	77498.00
		<b>116,974,754.10</b>	114,773,386.64
<b>GRAND TOTAL</b>			
<b>II. ASSETS</b>			
<b>1. NON- CURRENT ASSETS</b>			
a) Fixed Assets			
(i) Tangible assets	9	424,944.38	404,646.92
b) Deferred Tax Assets (net)	10	6660.32	11,837.00
c) Non-current investments	11	10,000,000.00	0.00
d) Long Term Loans and Advances	12	96,091,486.00	102,981,281.00
		<b>106,523,090.70</b>	103,397,764.92
<b>2 CURRENT ASSETS</b>			
a) Inventories	13	7,256,122.00	7,856,122.00
b) Trade receivables	14	0.00	420,386.00
c) Cash and cash equivalents	15	1,042,857.77	757,669.09
d) Short term loans and advances	16	2,152,683.63	2,341,444.63
		<b>10,451,663.40</b>	11,375,621.72
		<b>116,974,754.10</b>	114,773,386.64

**Summary of Significant -  
Accounting Policies**

2

0

0

The accompanying notes are an integral part of the financial statements. As per our report of even date attached

**FOR MUKESH CHOUDHARY & ASSOCIATES  
CHARTERED ACCOUNTANTS**

For and on behalf of the Board of Directors

(CA. RANJIT KUMAR MODI)  
Membership No. : 062254  
Firm Reg. No.: 325258E  
Kolkata, / /2012

## Dynamic Portfolio Management & Services Limited

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2012

	Note No.	Year ended on 31.3.2012	Year ended on 31.3.2011
<b>INCOME</b>			
I. Revenue From Operations	17	<b>2950000.00</b>	9777775.00
II. Other Income	18	<b>7576122.46</b>	7360859.00
<b>III. TOTAL REVENUE (I+II)</b>		<b>10526122.46</b>	17138634.00
<b>IV. EXPENSES</b>			
Changes in inventories of Stock-in-Trade	19	<b>600000.00</b>	6377775.00
Cost of Goods Traded		<b>2350000.00</b>	3400000.00
Employee benefits expenses	20	<b>386726.00</b>	326200.00
Other Expenses	21	<b>5023773.20</b>	6826925.65
<b>TOTAL</b>		<b>8360499.20</b>	16930900.65
<b>Earning before interest, tax, depreciation and amortization (EBITDA)</b>		<b>2165623.27</b>	207733.35
Depreciation and amortization expense	22	<b>48203.00</b>	115663.79
Finance Cost	23	<b>0.00</b>	0.00
<b>V. Profit/(loss) before prior period item</b>		<b>2117420.27</b>	92069.56
Prior Period Item		<b>0.00</b>	0.00
<b>Profit/(loss) before tax</b>		<b>2117420.27</b>	92069.56
<b>Tax expense</b>			
1. Current Tax		<b>702165.00</b>	40,578.00
2. Deferred Tax	10	<b>5176.68</b>	(12129.00)
3. Excess/Short Provision for Tax		<b>15726.00</b>	0.00
<b>Total Tax expense</b>		<b>723067.68</b>	28449.00
<b>Profit/(loss) for the year</b>		<b>1394352.59</b>	63620.56
<b>Earnings Per equity Shares [nominal value of share Rs.10]</b>	24		
<b>31st March 2012; Basic and Diluted</b>		<b>0.12</b>	0.0054

The accompanying notes are an integral part of the financial statements.  
As per our report of even date attached

FOR MUKESH CHOUDHARY & ASSOCIATES  
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

(CA. RANJIT KUMAR MODI)  
Membership No. : 062254  
Firm Reg. No.: 325258E  
Kolkata, / /2012

## Dynamic Portfolio Management & Services Limited

### NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Year ended on 31.3.2011	Year ended on 31.3.2010
<b>SCHEDULE - 3</b>		
<b>SHARE CAPITAL</b>		
Authorised 12110000(P.Y.12110000) Equity Shares of Rs. 10/- each	<b>121,100,000.00</b>	<b>121,100,000.00</b>
Issued, Subscribed & Paid Up 11691800(P.Y.11691800) Equity Shares of Rs. 10/- each fully paid up in cash	116,918,000.00	116,918,000.00
Less: Calls in Arrear	788,550.00	788,550.00
	<b>116,129,450.00</b>	<b>116,129,450.00</b>

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

**B** Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity share will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**C** The company has not issued any bonus shares or any shares for consideration other than cash, nor the company has bought during the period of five year immediately preceding the previous year

**D** Details of shareholders holding more than 5% shares in the company

Name of Shareholder	31st March 2012		31st March 2011	
	No.of Share Held	%of Share Held	No.of Share Held	%of Share Held
Ritesh Commercial Holdings Ltd	962000	8.23%	962000	8.23%

#### 4 RESERVES & SURPLUS

PARTICULARS	Amt. (in RS.)	
	31st March 2012	31st March 2011
Special Reserve u/s 451C of the RBI Act 1934		
Opening Balance	62,118.00	43703.00
Add: From P&L A/c	423,484.67	18415.00
Closing Balance	485,602.67	62,118.00
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	(1896460.96)	(1941666.52)
Profit/(loss) for the year	1394352.59	63620.56
	(502108.37)	(1878045.96)
Less: Transfer to Special Reserve	423484.67	18415.00
Closing Balance	(925593.04)	(1896460.96)
<b>TOTAL</b>	<b>(439990.37)</b>	<b>(1834342.96)</b>

**5 LONG TERM BORROWINGS**

Amt. (in RS.)

<b>PARTICULARS</b>	<b>31st March 2012</b>	<b>31st March 2011</b>
TERM LOANS - SECURED Vehicle Loan- HDFC Bank LTD.	146,849.75	252293.60
<b>TOTAL</b>	<b>146,849.75</b>	<b>252293.60</b>

A Term Loan from HDFC Bank. The loan is repayable in 36 monthly installments of Rs. 10430 from 5th July 2010 .

**6 LONG TERM PROVISIONS**

Amt. (in RS.)

<b>PARTICULARS</b>	<b>31st March 2012</b>	<b>31st March 2011</b>
Provision for NPA	148,488.00	148488.00
Provision on Standard Assets	240,213.72	0.00
<b>TOTAL</b>	<b>388,701.72</b>	<b>148,488.00</b>

**7 OTHER LIABILITIES**

Amt. (in RS.)

<b>PARTICULAES</b>	<b>31st March 2012</b>	<b>31st March 2011</b>
Other Liabilities		
Other Out standing Expenses	7,000.00	26000.00
<b>TOTAL</b>	<b>7,000.00</b>	<b>26000.00</b>

**8 SHORT TERM PROVISION**

Amt. (in RS.)

<b>PARTICULAES</b>	<b>31st March 2012</b>	<b>31st March 2011</b>
Short Term Provisions		
Provision for Income Tax	742,743.00	51498.00
<b>TOTAL</b>	<b>742,743.00</b>	<b>51498.00</b>

**9 TANGIBLE ASSETS**

	Amt. (in RS.)					
	Office Equipment/ Furniture & Fixtures		Vehicles		Total	
	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.	Current Yr.	Previous Yr.
<b>COST</b>						
As at beginning of the reporting period	61,910.00	61,910.00	496,900.00	0.00	558,810.00	61,910.00
Additions during the year	0.00		0.00	496,900.00	0.00	496,900.00
Disposal/Asset Impaired	0.00		0.00		0.00	0.00
<b>Other Adjustments</b>						
Exchange Difference					0.00	0.00
Borrowing Cost					0.00	0.00
Sales/Transfers/Adjustments during the year					0.00	0.00
<b>Total as at 31st March, 2012</b>	<b>61,910.00</b>	<b>61,910.00</b>	<b>496,900.00</b>	<b>496,900.00</b>	<b>558,810.00</b>	<b>558,810.00</b>
<b>DEPRECIATION</b>						
As at beginning of the reporting period	45,958.27	38,499.29	108,204.81	0.00	154,163.08	38,499.29
Charge for the year	997.50	7,458.98	47,205.50	108,204.81	48,203.00	115,663.79
Sales/Transfers/Adjustments during the year			68,500.46		68,500.46	
<b>Total as at 31st March, 2012</b>	<b>46,955.77</b>	<b>45,958.27</b>	<b>86,909.85</b>	<b>108,204.81</b>	<b>133,865.62</b>	<b>154,163.08</b>
<b>IMPARMENT LOSS</b>						
As at beginning of the reporting period					0.00	0.00
Charge for the year		0.00		0.00	0.00	0.00
<b>Total as at 31st March, 2012</b>		<b>0.00</b>		<b>0.00</b>	<b>-</b>	<b>-</b>
<b>NET BLOCK</b>						
		15,951.73	-	388,695.19	-	-
<b>Total as at 31st March, 2012</b>	<b>14,954.23</b>	<b>15,951.73</b>	<b>409,990.15</b>	<b>388,695.19</b>	<b>424,944.38</b>	<b>404,646.92</b>

## Dynamic Portfolio Management & Services Limited

### 10 Deffered tax Asset Amt. (in RS.)

Deferred Tax Liability	31st March 2012	31st March 2011
Fixed Assets- Depreciation	16,753.00	-39,252.00
<b>Total</b>	<b>16,753.00</b>	<b>-39,252.00</b>
<b>Provision for Deferred Tax (net)</b>	<b>5,176.68</b>	<b>(12,129.00)</b>

### 11 NON-CURRENT INVESTMENT Amt. (in RS.)

PARTICULARS	31st March 2012	31st March 2011
Share Application	10,000,000.00	0.00
<b>TOTAL</b>	<b>10,000,000.00</b>	<b>0.00</b>

### 12 LONG TERM LOANS & ADVANCES Amt. (in RS.)

PARTICULARS	31st March 2012	31st March 2011
Unsecured Considered Goods		
Loans Given	96,085,486.00	102,975,281.00
Security Deposits	6,000.00	6,000.00
<b>TOTAL</b>	<b>96,091,486.00</b>	<b>102,981,281.00</b>

### 13 INVENTORIES

Amt. (in RS.)

PARTICULARS	No of Share	31st March'12	No of Share	31st March'11
<b>Un-Quoted Share</b>				
Ambaa Securities Pvt. Ltd.	103,600	155,400.00	103,600	155,400.00
Ambaashree Envirocare projects Pvt. Ltd.	4,250	850,000.00	0	0.00
Chowdhury's Vinimay Pvt. Ltd.	0	0.00	2,000	100,000.00
Darshan Vyapaar Pvt. Ltd.	96,700	145,050.00	96,700	145,050.00
Indo Polysacks Pvt. Ltd.	6,000	300,000.00	6,000	300,000.00
Jwel Moulders & Holdings Pvt. Ltd.	235,300	352,950.00	235,300	352,950.00
Paradigm Granite Pvt. Ltd.	0	0.00	3,000	900,000.00
Ranisati Mercantiles Pvt. Ltd.	13,000	2,600,000.00	13,000	2,600,000.00
Ritesh Commercial Holdings Ltd.	200,361	400,722.00	200,361	400,722.00
Ritesh Enclave Pvt. Ltd.	0	0.00	6,750	1,350,000.00
Ritesh Exim Pvt. Ltd.	68,000	102,000.00	68,000	102,000.00
Ritesh Projects Pvt. Ltd.	2,750	550,000.00	2,750	550,000.00
S.M Niryat Pvt. Ltd.	12,000	1,500,000.00	0	0.00
Shiv Shankar Securities Pvt. Ltd.	0	0.00	3,000	600,000.00
Suman Securities Pvt. Ltd.	6,000	300,000.00	6,000	300,000.00
<b>TOTAL</b>	<b>747,961</b>	<b>7,256,122.00</b>	<b>746,461.00</b>	<b>7,856,122.00</b>

## Dynamic Portfolio Management & Services Limited

14	<b>TRADE RECEIVABLES</b>	<b>Amt. (in RS.)</b>	
<b>PARTICULARS</b>		<b>31st March 2012</b>	31st March 2011
Unsecured Debts outstanding for a period exceeding six Months from due date		-	420,386.00
<b>TOTAL</b>		<b>0.00</b>	420,386.00

  

15	<b>CASH AND BANK BALANCES</b>	<b>Amt. (in RS.)</b>	
<b>PARTICULARS</b>		<b>31st March 2012</b>	31st March 2011
Cash and cash equivalents			
Current			
Current Accounts-Standard Chartered Bank		13,320.26	13,320.26
Current Accounts-Indusind Bank		472,022.09	290,640.71
Current Accounts-Vysya Bank		778.00	778.00
Cash In Hand		556,737.42	452,930.12
		<b>1,042,857.77</b>	<b>757,669.09</b>
Non Current			
Fixed Deposit Including Interest		0.00	0.00
Less: Amount disclosed under non current assets ( Note 14)		0.00	0.00
		-	-
<b>GRAND TOTAL</b>		<b>1,042,857.77</b>	757,669.09

  

16	<b>SHORT TERM LOANS AND ADVANCES</b>	<b>Amt. (in RS.)</b>	
<b>PARTICULARS</b>		<b>31st March 2012</b>	31st March 2011
Other Advneces			
Advance Tax Including Tax deducted at Source		2,152,683.63	1,738,071.63
Other		0.00	603,373.00
<b>TOTAL</b>		<b>2,152,683.63</b>	2,341,444.63

  

17	<b>REVENUE FROM OPERATIONS</b>	<b>Amt. (in RS.)</b>	
<b>PARTICULARS</b>		<b>31st March 2012</b>	31st March 2011
Sale of Product Shares		2,950,000.00	9,777,775.00
<b>REVENUE FROM OPERATIONS (NET)</b>		<b>2,950,000.00</b>	9,777,775.00

  

18	<b>OTHER INCOME</b>	<b>Amt. (in RS.)</b>	
<b>PARTICULARS</b>		<b>31st March 2012</b>	31st March 2011
Other Income		68,500.46	478338.00
Dividend Income		0.00	4,167.00
Interest on IT Refund		21,690.00	90,394.00
Interest Received		7,485,932.00	6,787,960.00
<b>TOTAL</b>		<b>7,576,122.46</b>	7,360,859.00



## Dynamic Portfolio Management & Services Limited

<b>19</b>	<b>CHANGES IN INVENTORIES OF STOCK TRADED</b>	<b>Amt. (in RS.)</b>
	<b>PARTICULARS</b>	<b>31st March 2012</b>
		<b>31st March 2011</b>
	(Increase)/Decrease in STOCK	
	Opening Stock	7,856,122.00
	Closing Stock	14,233,897.00
		7,856,122.00
		600,000.00
	<b>TOTAL</b>	<b>600,000.00</b>
		6,377,775.00

  

<b>20</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>	<b>Amt. (in RS.)</b>
	<b>PARTICULARS</b>	<b>31st March, 2012</b>
		<b>31st March, 2011</b>
	Salaries, Wages and Bonus	370,500.00
	Staff Welfare Expenses	16,226.00
		0.00
	<b>TOTAL</b>	<b>386,726.00</b>
		326,200.00

  

<b>21</b>	<b>OTHER EXPENSES</b>	<b>Amt. (in RS.)</b>
	<b>PARTICULARS</b>	<b>31st March 2012</b>
		<b>31st March 2011</b>
	Filing Fees	5,000.00
	General Expenses	56,954.64
	Interest (others)	19,716.15
	Legal & Professional Fees	27,623.00
	Listing Fee	61,768.00
	Loss on Share Trading	3,473,583.80
	Motor Car Expenses	118,186.00
	Meeting Expenses	32,300.00
	Payment to auditors	
	Statutory Audit	6,000.00
	Tax Audit	1,000.00
	Postage & Stamp	28,700.00
	Printing & Stationery	43,070.00
	Provision on Std. Assets (.25% of std Assets)	240,213.72
	Rates & Taxes	1,900.00
	Share Transaction Charge	3,763.79
	Transfer Agent Fee	851,398.00
	Travelling & Conveyance	40,905.00
	Website Design Expenses	11,691.10
	<b>TOTAL</b>	<b>5,023,773.20</b>
		6,826,925.65

  

<b>22</b>	<b>Depreciation and amortisation expense</b>	<b>Amt. (in RS.)</b>
	<b>PARTICULARS</b>	<b>31st March 2012</b>
		<b>31st March 2011</b>
	Depreciation of tangible assets	48203.00
		115663.79
		<b>48203.00</b>
		115663.79

  

<b>23</b>	<b>FINANCE COST</b>	<b>Amt. (in RS.)</b>
	<b>PARTICULARS</b>	<b>31st March 2012</b>
		<b>31st March 2011</b>
	Interest Expenses	0.00
	Bank Charges and ancillary borrowing cost	0.00
	<b>TOTAL</b>	<b>0.00</b>
		0.00

- 24** Basic and diluted earnings per shares is computed by dividing the net profit attributable to equity share holders for the year, by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Earnings/ (Loss) per share (EPS) (Basic and Diluted)		31st Mar'2012	31st Mar'2011
Net Profit / (Loss) for the year	Amt (In RS)		
		<b>1,394,352.59</b>	63,620.56
Number of shares at the beginning of the year		<b>11691800</b>	116,918,000
Total Number of shares outstanding for the period		<b>11691800</b>	116,918,000
Weighted Number of Equity Shares outstanding during the period (For Basic and Diluted EPS)		<b>11691800</b>	116,918,000
Earning Per Share – Basic and Diluted		<b>0.12</b>	0.00054

**25 RELATED PARTY DISCLOSURE**

**Names of related parties and related party relationship**

**Key Management Person of Company**

- a) RITESH KUMAR NEWATIA
- b) RAVI KUMAR NEWATIA
- c) ARUN KUMAR AGARWAL
- d) VIKAS KUMAR AGARWAL
- e) ASHOK BOTHRA
- f) PRASANTA DHAR

**Enterprises over Which Key Management Personnel have significant infulance**

Ritesh Real Estates Pvt. Ltd.  
Ritesh Construction Pvt. Ltd.  
Charishma Combines Pvt. Ltd.  
Ranisati Mercantile Pvt. Ltd.  
Indo Polysacks Pvt. Ltd.  
Shiv Shankar Securities Pvt. Ltd.  
Speed Business Pvt. Ltd.  
Ritesh Stock Broking Pvt. Ltd.  
OM Vincom Pvt. Ltd.  
VPL Oil Marketing Pvt. Ltd.  
Darshan Vyapaar Pvt. Ltd.

**26 Previous year figures**

Till the year ended 31st March 2011, the company was using pre-revised Schedule VI to the Companies Act 1956, forpreparation and presentation of its financial statements. During the year ended 31st March 2012,. The revised Schedule VInotified under the Companies Act 1956, has become applicable to the company. The company has reclassified previous yearfigures to conform to this year's classification. The adption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements, particularly presentation of balance sheet.

## **ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS**

### **1. General Information**

DYNAMIC PORTFOLIO MANAGEMENT AND SERVICES LIMITED having Registered Office at 53A, Mirza Ghalib Street, 4th Floor, Kolkata-700016. The Company has carried on NBFC Business during the financial Year 2011-12. The Company is a public limited company and its shares are listed in Bombay Stock Exchange Limited.

### **2. Summary of significant accounting policies**

#### **2.1 Basis of preparation of Financial Statements**

The financial statement are prepared under historical cost convention on accrual basis, except so far as they relate to revaluation of Plant and Machinery, Equipment etc., This financial statement has been prepared to comply with all material aspects the accounting standards had notified under Section 211 (3C) and Companies (Accounting Standard) Rules, 2006 and other relevant provisions of the Companies Act, 1956.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of operations, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non current classification of assets and liabilities.

#### **2.2 Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimate and assumptions that affect the report amount of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluations of the relevant facts and circumstances as of the date of the financial statement. Actual results could differ from these estimates.

#### **2.3 Tangible Assets**

All tangible assets are stated at cost. Cost includes related taxes, duties freight etc. and interest on borrowed funds attributable to acquisition / construction of qualifying fixed assets and is net of Cenvat and VAT credits.

Depreciation on Tangible assets (other than revalued assets which have been fully depreciated) is provided on straight line method at the rates specified in Schedule XIV to the Companies Act, 1956. Assets costing individually upto Rs.5, 000/- are fully depreciation in the year of purchase.

#### **2.4 Impairment**

Consideration is given at each Balance Sheet date to determine whether there is any modification or impairment of the carrying amount of the fixed assets. If any condition exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of any asset exceeds the recoverable amount.

#### **2.5 Investments**

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

is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually

## **2.6 Inventories**

Inventories, Consisting of Share, have been valued as under.

Quoted Share : At Cost or Market Price, whichever is lower

Unquoted Share : At Cost

## **2.7 Revenue Recognition**

Item of Income & Expenditure are recognized on accrual basis.

Dividend income is recognized when right to receive dividend is established. Interest income is recognised on a time proportion basis taking into account the outstanding and the rate applicable.

## **2.8 Employee Benefits**

a) Short term employee benefits (i.e. benefit payable within one year) are recognized in the period in which employee services are rendered.

b) Contribution made towards Provident Fund, in accordance with applicable rules/statutes, is charged to revenue

c) No Provision for gratuity is made since it will be considered on cash Basis.

## **2.9 Current and Deferred Tax**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognized for all the timing differences, being the difference between Taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognized deferred tax assets, if any.

## **2.10 Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period attributable to equity shareholders.

The weight average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period Attributable to equity shareholders and the weighted average number of shares outstanding During the period is adjusted for the effects of all dilutive potential equity shares.

**2.11 Provision and Contingent liabilities**

Provision under Expenditure in profit & Loss Account include for Provision for Standard Assets is in accordance with RBI Direction on Non-Banking Financial Companies: a 240213.72 (.25% on Standard Assets)

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence 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 will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

**2.12 Cash and Cash Equivalentents**

In the cash flow statement, cash and cash equivalentents includes cash and cash cheques in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**2.13** Previous Year figures have been regrouped / classified wherever necessary.

## Dynamic Portfolio Management & Services Limited

### STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

#### Balance Sheet Abstract and Company's General Business Profile

##### I Registration Details

Registration No.	:	63178
State Code No.	:	21
Balance Sheet Date	:	31.03.2012

##### II Capital raised during the year

Public Issue	:	0.00
Right Issue	:	0.00
Bonus Issue	:	0.00
Private Placement	:	0.00

##### III Position of Mobilisation and Deployment of Funds ('000)

Total Liabilities	:	116974.75
Total Assets	:	116974.75

##### Sources of funds

Paid-up Capital	:	116129.45
Reserves & Surplus	:	439.99
Secured Loans	:	146.85
Unsecured Loans	:	0.00
Share Application Money	:	0.00
Deferred Tax Liability	:	0.00

##### Application of funds

Net Fixed Assets	:	424.94
Investments	:	10000.00
Net Current Assets	:	9701.92
Deferred Tax Asset	:	0.00
Accumulated losses	:	439.99

##### IV Performance of Company ('000)

Turnover	:	10526.12
Total Expenditure	:	8408.70
Profit / Loss before taxes	:	2117.42
Profit /Loss after taxes	:	1394.35
Earning Per Share	:	0.12
Dividend rate	:	0.00

##### V Generic Names of Three Principal Products/Services of the Company (as per monetary terms)

Item Code No. (ITC Code)	:	N.A.
Product Description	:	
Item Code No. (ITC Code)	:	
Product Description	:	
Item Code No. (ITC Code)	:	
Product Description	:	

Note : For ITC Code of products please refer to the the publication Indian Trade Classification based on harmonized commodity description and coding system by Ministry Commerce, Directorate General of Commercial Intelligence & Statistics, Calcutta-700 001

## Dynamic Portfolio Management & Services Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

PARTICULARS	AS AT 31.03.2012 Amount (Rs.)	AS AT 31.03.2011 Amount (Rs.)
<b>Cash Flow From Operating Activities</b>		
<b>Net Profit Before Tax</b>	2117420.27	92070.00
Adjustments for:		
Depreciation	48203.00	115663.00
Interest & Finance Charges		
Operating Profit Before Working Capital Changes	2165623.27	207733.00
Adjustments for:		
Increase/(decrease) in short term provision	691245.00	0.00
Increase/(decrease) in long term provision	240213.72	0.00
Increase/(decrease) in other current liabilities	(19000.00)	0.00
Decraes/(Increase) in trade receivables	420386.00	(312539.00)
Decraes/(Increase) in trade inventories	600000.00	6377775.00
Decraes/(Increase) in long term loans and advances	6889795.00	(5321041.00)
Decraes/(Increase) in short term loans and advances	188761.00	2758.00
Decraes/(Increase) in other current asset		
	9011400.72	746953.00
Direct Taxes Paid	(717891.00)	(286147.00)
<b>Net Cash from Operating Activities [A]</b>	10459132.99	668539.00
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	0.00	(496900.00)
Purchase of Share	(10000000.00)	0.00
Adjustment in Fixed Assets	(68,500.47)	-
<b>Net Cash Used in Investing Activities [B]</b>	(10068500.47)	(496900.00)
<b>Cash FlowS from Financing Activities</b>		
Proceeds from Long Term Borrowings (net)	(105,443.85)	252,294.00
Proceeds from Issu of equity Share		
<b>Net Cash from Financing Activities [C]</b>	(105443.85)	252294.00
Net Increase/(Decrease) in Cash & Cash Equivalents)(A+B+C)	285188.67	423933.00
Cash & Cash Equivalents at the begning of the year	757669.09	333737.00
Cash & Cash Equivalents at the end of the year	1042857.76	757670.00
Components of Cash and Cash Equivalents		
Cash on hand	556,737.42	452930.12
Current accounts	485342.35	304738.97
Total Cash and Cash Equivalents [ Note 16]		

# Dynamic Portfolio Management & Services Ltd.

53A, Mirza Ghalib Street, 4<sup>th</sup> Floor, Kolkata-700 016

## PROXY FORM

I/We \_\_\_\_\_ resident of \_\_\_\_\_  
in the district of \_\_\_\_\_ being member/members of the above  
named Company, hereby appoint \_\_\_\_\_  
resident of \_\_\_\_\_ in the district of \_\_\_\_\_  
\_\_\_\_\_ or failing him \_\_\_\_\_  
resident of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our  
proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company  
to be held on Monday, the 24th day of September 2012 at 11.00 A.M., at Registered Office of the  
Company at 53-A, Mirza Ghalib Street, 4th Floor, Kolkata-700 016 and any adjournment thereof.

Registered Folio No./DP-Client ID \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signed on this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signed by the said \_\_\_\_\_

Signature of Proxy \_\_\_\_\_

Attested by Shareholder \_\_\_\_\_

Affix  
Revenue  
Stamp

---

# Dynamic Portfolio Management & Services Ltd.

53A, Mirza Ghalib Street, 4<sup>th</sup> Floor, Kolkata-700 016

## ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of the Company held on Monday, the 24th  
day of September 2012 at 11.00 A.M, at Registered Office of the Company at 53A, Mirza Ghalib  
Street, 4th Floor, Kolkata-700 016.

Name of Shareholder/s \_\_\_\_\_

Father/Husband's Name \_\_\_\_\_

Name of Proxy or Company Representative \_\_\_\_\_

Registered Folio No. / DP-Client ID \_\_\_\_\_ No. of Shares held \_\_\_\_\_

Signature of the Shareholder(s) or Proxy or Company Representative \_\_\_\_\_

**No gift of any nature will be distributed at the Annual General Meeting**



**BOOK - POST**

*If undelivered please return to :*

**DYNAMIC PORTFOLIO MANAGEMENT & SERVICES LIMITED**

Regd. Office : 53A, Mirza Ghalib Street, 4th Floor

Kolkata - 700 016