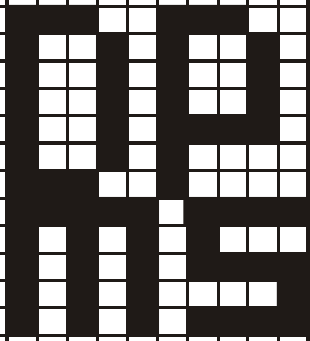


2009-2010



Dynamic Portfolio Management & Services Ltd.

ANNUAL REPORT

2009-2010

15th Annual Report 2009 - 2010

Board of Directors

Arun Kr. Agarwal
Ravi Kr. Newatia
Ritesh Kr. Newatia
S. C. Agarwala
Vikas Kr. Agarwal
Ashok Bothra

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

Registered Office

53A, Mirza Ghalib Street
4th 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

MCS Limited
77/2A, Hazra Road
Kolkata-700 029

Annual General Meeting

Date : 30th July 2010
Time : 11.00 A.M.
Venue : 53A, Mirza Ghalib Street
4th 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 Fifteenth Annual General Meeting of the members of Dynamic Portfolio Management & Services Limited will be held on Friday, the 30th day of July, 2010 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 31st March 2010.
2. To appoint Director in place of Mr. Ritesh Kr. Newatia, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Director in place of Mr. Vikas Kr. Agarwal, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold the office from the conclusion of this Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS :

5. To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

“RESOLVED THAT Pursuant to the provisions of Section 260 and all other applicable provisions of the Companies Act, 1956 (the Act) and in terms of Article 87 of the Articles of Association of the Company, Mr. Ashok Bothra, who was appointed as an Additional Director of the Company at the Board meeting held on 15th January 2010 and who holds the office up to the date of this Annual General Meeting in terms of provision of section 260 of the Act, and in whose respect the Company has received a notice from a member under Section 257 of the Act, together with necessary deposit as mentioned in the said section, proposing the candidature of Mr. Ashok Bothra for the office of Director of the Company be and is hereby appointed as Director of the Company.”

Kolkata, May 31, 2010

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

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

Arun Kumar Agarwal
Chairman & Managing Director

Dynamic Portfolio Management & Services Limited

Notes :

1. 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.
2. The Register of Member and the Share Transfer Books of the Company will remain closed from 23rd July 2010 to 30th July 2010 (both days inclusive).
3. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
4. 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.
5. 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.
6. Members are requested to intimate change in their address immediately to M/s MCS Limited, the Company's Registrar and Share Transfer Agents, at their office at 77/2A, Hazra Road, Kolkata-700 029.
7. Members are requested to bring copies of Annual Report to the Annual General Meeting.
8. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folio along with relevant Share Certificates to MCS Limited, Registrar and Share Transfer Agents of the Company, at their address given above.
9. The Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
10. Members are requested to send their queries in regard to the accounts atleast 10 days in advance to the Registered Office of the Company.
11. Members are requested to quote Folio Number/Client ID in their correspondence.
12. The Equity shares of the Company are listed on Calcutta Stock Exchange (CSE) and on Bombay Stock Exchange Ltd. (BSE) and Listing Fees for the financial year 2010-2011 have been paid to both Stock Exchanges.

Kolkata, May 31, 2010

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

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

Arun Kumar Agarwal
Chairman & Managing Director

Item No. 5

The Board of Directors of your Company appointed Mr. Ashok Bothra as an Additional Director of your Company at the Board meeting held on 15th January 2010 to broad base the Board.

Mr. Ashok Bothra, B.Com. has vast knowledge and rich experience in Capital Market related activities and Company Laws. It will be advantageous for the Company to avail his valuable services and rich experience. Your Company has received notices from members pursuant to section 257 of the Act, 1956 together with necessary deposit proposing the candidature of Mr. Ashok Bothra for the office of Director of the Company.

Except Mr. Ashok Bothra in his respective appointment, no other Director is concerned or interested in his appointment as Directors of the Company.

Kolkata, May 31, 2010

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

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

Arun Kumar Agarwal
Chairman & Managing Director

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, 2010.

(Rs. in Lacs)

Financial Results	Year Ended 31.03.2010	Year Ended 31.03.2009
Income	171.63	20.29
Profit before Tax & Extraordinary Items	0.65	-1.94
Less : Provision for Taxation	0.10	0.24
Profit after Tax	0.55	-2.18
Less : Extra Ordinary Items	0.00	0.00
Profit available for appropriation after adding to its Previous Years B/f	0.55	-2.18
Appropriated as under :		
Transfer to General Reserve	0.00	0.00
Balance carried forward to Next Year	18.98	-19.49

Dividend

Directors' Report, Management Discussions & Analysis

Due to Loss, your Directors do not recommend any Dividend for the year under review.

Economic Scenario and Outlook

The World we see at the end of 2008 is not what it was when the year began. Though the signs had started becoming visible in the second half of 2007, the confirmation of the global recessionary trend during 2008 had significant effects on all macro-economic indicators, highlighted by the failure of huge institutions like Lehmen, Bear Stearns.

Not only did this have an impact on the demand of environment in the IT & ITes Industry, it also had a huge impact on economic metrics like foreign exchange fluctuations, stock market valuations, growth expectations etc.

Rapidly changing global economic and business conditions and technological innovation are creating an increasingly, competitive environment that is driving companies to transform their operations globally. While the expectations of the customers have increased manifold; your company is committed to satisfy the clients with improved quality of service and accelerated delivery schedules with a focus on developing long term relationship and strengthening strategic partnerships.

The role of technology has evolved from support to transformation for global companies. The ability to design, develop, implement and maintain business and technology situations, addressing the business and customer needs has become a competitive advantage and a priority. On the other hand the prevalence of multiple technology platforms and greater emphasis on network, data and information security and redundancy have increased the complexity and cost of IT systems, resulting in greater technology risk.

Performance & Current Year Prospects

Your Company is basically a NBFC entity as well as the Company use to invest its surplus fund in Capital & Securities Market, both in listed and unlisted securities.

The current year was among one of the worst year and witnessed a very high volatility and steep fall in the Capital Market. Due to uncertainty in Capital Market, the performance of Company was also affected and Company could not manage to earn sufficient profit in order to deliver to its members. Even due to sluggishness, the Company could not convert its investments and even it was not having a clue, where the market will move from now onwards. Thinking of all these factors, the Company has decided to stay in almost same portfolio except few transactions.

In regard to the current year prospectus, the Company is hopeful of some recovery in the market and will be able to deliver something to its members. Although the failing of some of big names in USA & European Markets, it is a big challenge for the Company to deliver good amount of profit and all depends upon these big giants.

In regard to the investment in Loans, the Company is hopeful to manage better and in spite of savior collapse in the market, the Company's investment in loan was intact along with interest due on the same.

Business Segment

Your Company basically operates in two types of activities i.e. Investment activities, activities of investment in the Capital Market as well as Off Market deal in both listed and unlisted securities. Beside this, the Company does give loans to corporate and HNI Clients to earn interest on the same.

Risk & Concerns

As discussed above, your company is basically in Investment activities, both in Capital Market and Money Market. Looking to the current scenario and what it has been seen in the recent past where big giants like Lehman Brothers, Morgan Stanley and Citi Bank (American Unit) have collapsed dramatically and has raised a fear among investors in the Capital Market. Moreover collapse of some of American Banks has added the fear.

All these happenings are cause of concerns to the Company since there is no security in the Capital Market investments and Company use to invest money looking to the management of Company, its nature of business and prospects of delivering profit to the Company in future. The Company carries all due diligence while investing in Capital Market though there is no guarantee, that the investment of Company will not collapse or will deliver to its members by way dividend to other sort of distribution of profit.

Beside above, your Company is a NBFC Company and thus uses to give loans to Corporate and HNI Clients. Although Company carries all sort of due diligence in such loan payments though there is no such guarantee of return to the Company.

Overview

The Company is planning to counter its challenges through intelligent investments, tight control on liquidity and margins, carrying all sort of due diligence before investing, check on business activities of Companies where Company willing to invest including estimation of profit on same etc. Even the Company does not hesitate to come out of investment on almost right time if it believes to be negative and risky. In case of payment of loan to its clients, the Company do all sorts of efforts to make sure that its fund will not be bad debts and will earn interest from such loans.

Internal Control Systems and Adequacy

DPMS has developed adequate Internal Control Systems in place to ensure a smooth functioning of its business. The Control System provides a reasonable assurance of recording the transactions of its operations in all material aspects and of providing protection against misuse or loss of Company's assets.

The ICS and their adequacy are frequently reviewed and improved and are documented.

Material Development in Human Resources

DPMS's biggest assets are their employees. We are continuously working on innovative initiatives to attract, train, retain and motivate our employees. Our endeavors are driven by a strong set of values imbibed in us

and policies that we abide by. Our constant goal, and indeed our biggest strength, is a healthy, happy and prosperous work environment for all our employees. Currently staff strength of the Company is 5 Employees including senior & junior category staff.

Cautionary Statement

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government Regulations, tax laws, statues and other incidental factors.

Directors

During the year, Mr. Ashok Bothra has been appointed as Additional Director (Independent, Non-Executive) of the Company to broad base the Board.

In accordance with the requirements of the Companies Act, 1956 and as per the provisions of Articles of Association of the Company, Mr. Ritesh Kr. Newatia and Mr. Vikas Kr. Agarwal are liable to retire and eligible, offers themselves for re-appointments in the forthcoming Annual General Meeting.

Except Mr. Ravi Newatia, brother of Mr. Ritesh Kr. Newatia and Mr. Ritesh Kr. Newatia, none other Directors are interested in his re-appointment and except Mr. Vikas Kr. Agarwal himself, no other Directors are interested in the re-appointment of Mr. Vikas Kr. Agarwal.

Further, non of the Directors of the Company are disqualified under section 274(1)(g) of the Companies Act 1956.

Auditors

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 under section 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 the 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.

Public Deposits

Your Company has not accepted any deposits from the Public during the year under review.

Corporate Governance

Your Company follows the principles of the effective corporate governance practices. The Clause 49 of Listing Agreement deals with the Corporate Governance requirements which every publicly listed Company has taken steps to comply with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchanges.

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's Auditors on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in the Annual Report.

Human Resources

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR policies to the growing requirements of the business.

Dynamic Portfolio Management & Services Limited

The Company has a structured induction process and management development programmes to upgrade skills of managers. Objective appraisal systems are in place for senior management system.

Statutory Information

The Company being basically in the media sector, requirement, regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

Particulars of Employees

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial through out the year.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

Particulars under section 217 (1) (e) of the Companies Act, 1956

The Company is engaged in the business of media products 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.

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

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 2010, 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.

Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality of the workforce and their families and also the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stake holders and Society.

Appreciation

The Board of Directors wishes to convey their appreciation to all the Company's employees for their performance and continued support. The Directors would also like to thank all the Shareholders, Consultants, Customers, Vendors, Bankers, Service Providers, and Governmental and Statutory Authorities for their continued support.

Kolkata, May 31, 2010

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

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

Arun Kumar Agarwal
Chairman & Managing Director

Annexure to the Directors' Report

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Compliance with the requirements of Corporate Governance is set out below :-

Company's philosophy on Code of Governance

Dynamic Portfolio Management & Services Ltd (DPMS) is committed to implement sound corporate governance practices with a view to bring about transparency in its operations and maximize shareholders value. The Company's core philosophy on the code of Corporate Governance is to ensure –

- Fair and transparent business practices;
- Accountability for performance;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board; and
- Adequate representation of promoter, executives and independent directors on the Board.

A report on the implementation of the Corporate Governance Code of the Listing Agreement by the Company is furnished below.

The Certificate of Corporate Governance from the Statutory Auditors of the Company confirming compliance of the conditions of Corporate Governance is annexed hereto.

Board of Directors

Composition of Directors

The constitution of the Board is in conformity with the provisions of Clause 49 of the listing Agreement of the Stock Exchange. The Board consists of six Directors out of which three members are Independent Directors.

The Board of Directors met 5 times on 31st July, 26th August and 31st October in year 2009 and on 15th January and 29th January in the year 2010 during the financial year 2009-2010.

Details of Composition of Board, category of the Directors and their attendance at Board Meetings and last Annual General Meeting, number of other directorship are given below :-

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	5	Yes	2	Nil	Nil
Ravi Kr. Newatia	Whole time Director	5	Yes	Nil	1	Nil
Ritesh Kr. Newatia	Promoter Director	5	Yes	Nil	1	Nil
S. C. Agarwala	Independent Director	5	Yes	1	1	Nil
Vikas Kr. Agarwal	Independent Director	5	Yes	2	1	Nil
Ashok Bothra	Independent Director	1	No	Nil	Nil	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.

Terms of Reference

The terms of reference of the Audit Committee are as under :

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, reappointment and, if required the replacement or removal of the statutory auditor and fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to –
 - (i) Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of section 217 of the Companies Act 1956.
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (iv) Significant adjustments made in the financial statements arising out of audit findings.
 - (v) Compliance with listing and other legal requirements relating to financial statements.
 - (vi) Disclosure of any related party transactions.
 - (vii) Qualifications in the draft audit report.
- e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing with the management performance of statutory and internal auditors, adequacy of internal control systems.
- g) Reviewing with the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit.
- h) Discussion with internal auditors any significant findings and follow-up thereon.
- i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
- j) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any areas of concern.
- k) To look into the reasons for substantial defaults in the payment to shareholders (in case of non-payment of declared dividend) and creditors.

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

Dynamic Portfolio Management & Services Limited

of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, 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 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;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor.

The members of Audit Committee met four times on – 31st July, 26th August and 31st October in year 2009 & on 29th January 2010 during the financial year ended on 31st March 2010.

Name	Number of Meetings Held	Meetings Attended
Arun Kr. Agarwal	4	4
S. C. Agarwala	4	4
Vikas 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 2009-2010.

No Stock option has been allotted to any of the Directors during the financial year 2009-2010.

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. S. C. Agarwala & Mr. Vikas Agarwal.

The members of Share Transfer Committee met four times on 31st July, 26th August and 31st October in year 2009 & on 29th January 2010 during the financial year ended on 31st March 2010.

Name	Number of Meetings Held	Meetings Attended
Mr. S. C. Agarwala	4	4
Mr. Ravi Newatia*	4	4
Mr. Vikas Agarwal	4	4

*Chairman of Committee

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 Mr. Ritesh Newatia, Wholetime Director 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 1, May 4, June 1, July 1, August 3, September 1, October 1, November 2, and December 1 in year 2009 and on January 2, February 1 and March 1 in year 2010.

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. Vikas Agarwal	Member	Independent, Non-Executive	12

Details of Shareholders' Complaints

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

General Body Meetings

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
14 th Annual General Meeting	29 th September 2009, 10.30 AM	53-A, Mirza Ghalib Street 4 th Floor, Kolkata-700 016
13 th Annual General Meeting	30 th September 2008, 10.30 AM	53-A, Mirza Ghalib Street 4 th Floor, Kolkata-700 016
12 th Annual General Meeting	29 th September 2007, 11.00 AM	53-A, Mirza Ghalib Street 4 th Floor, Kolkata-700 016

Special Resolution passed at last three Annual General Meetings:

During financial year 2006-07, 2007-08 and financial year 2008-09, no Special Resolution has been passed in any of Annual General Meetings.

Passing of Resolution by Postal Ballot:

No Resolution has been passed through Postal Ballot Rules, 2000 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 2010.

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.

Subsidiaries

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.

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 Office 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) 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 2009 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. and published in the leading English Newspapers i.e. Eco of India and in vernacular language Newspaper i.e. Arthkruti.
- Company is not yet started to post its Quarterly Results/Half Yearly/ Nine Months & Annual Results on its website.
- The Company is working on its own website and thus posting of Results and news are yet to be posted on its website.
- 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 15th Annual General Meeting for the financial year ended on 31st March 2010 is as follows :-

Date : 30th July, 2010
 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 :

Subject Matter	Date
Financial Reporting of 1 st Quarter ended on 30 th June 2010	14 th August, 2010
Financial Reporting of 2 nd Quarter ended on 30 th September 2010	15 th November 2010
Financial Reporting of 3 rd Quarter ended on 31 st December 2010	15 th February 2011
Financial Reporting of 4 th Quarter ended on 31 st March 2011	13 th May 2011
Date of Annual General Meeting	During September 2011

- d. Date of Book Closure** : July 23 to July 30, 2010. (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
- g. Custody Charges & Listing Fees** : Annual Custody Charges to NSDL & CDSL and Annual Listing Fees for Financial year 2009-2010 have been paid.
- h. Stock Code & ISIN Code** : 530779 on BSE & 014037 on CSE
 : INE118C01018 on CDSL & NSDL

Dynamic Portfolio Management & Services Limited

i. Market Price Data :

The equity shares of the Company are under suspension mode for trading on BSE and hence market price data for the year under review is not applicable. Further, the Company has filed requisite documents with BSE for revocation of suspension and the Company is hopeful of positive response from BSE. However on CSE, there was no trading in the shares of Company due to lack of volume and liquidity on CSE.

j. Registrar & Share Transfer Agent.

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

M/s. MCS Limited

77/2A, Hazra Road, Kolkata-700 029

Tel : 033-24767350 – 54; Fax : 033-24747674

k. Share Transfer Systems

The Share transfer is processed by the Registrar & Share Transfer Agent, **MCS 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 31st March 2010

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	1476000	12.62
Indian Bank / Mutual Funds	0	0
NRI/OCBS	0	0
Private Corporate Bodies	5842700	49.98
Indian Public	4373100	37.40
Total	11691800	100.00

m. Distribution of Shareholding as on 31st March 2010.

No. of Equity Shares	No. of Equity Holders	% of Share Holders	Total No. of Shares Held	% of Share Holders
1-500	757	56.75	197300	1.69
501-1000	164	12.29	131100	1.12
1001-2000	127	9.52	182900	1.56
2001-3000	84	6.30	217200	1.86
3001-4000	42	3.15	146600	1.25
4001-5000	17	1.27	78700	0.67
5001-10000	52	3.90	395900	3.39
10001-50000	50	3.75	1266800	10.83
500001-100000	15	1.12	1058900	9.06
100001 and Above	26	1.95	8016400	68.57
Total....	1334	100.00	11691800	100.00

n. Categories of Shareholders as on 31st March 2010.

No. of Equity Shares	No. of Equity Holders	% of Share Holders	Total No. of Shares Held	% of Share Holders
Individuals	1238	92.81	4373100	37.40
Non-Resident Indians	0	0.00	0	0.00
Body Corporate	47	3.52	5842700	49.98
Local Mutual Funds	0	0.00	0	0.00
Promoters	49	3.67	1476000	12.62
Total ...	1334	100.00	11691800	100.00

o. 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. 44.05% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2010.

p. Unclaimed Dividend

Pursuant to Section 205C of the Companies Act, 1956, Dividends that are unpaid/unclaimed for a period of seven year from the date of they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. As on date there is no unclaimed Dividend in the Books of the Company.

q. Nomination

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

r. Listing Fees & Annual Custodial Fees

The Company has paid the Annual Listing Fees for year 2010-11 to BSE & CSE. Annual Custodial Fees to both the Depositories for the year 2010-11 have also been paid.

s. Brief Resume of the Directors Seeking Re-Appointment

- Mr. Ritesh Newatia, Age 28, B. Com. is having vast experience in the area of Accounts, Taxation & Capital Market activities since last 6 years and will be added benefit for the Company if he will be among Board of directors

He is not holding any shares of the Company either in his name or in the name of his family members as on 31st March 2010.

As on 31st March 2010, he is on the Board of Directors of the following Companies.

Sr. No.	Name of the Company
1.	Ambaa Securities Pvt Ltd
2.	Ritesh Commercial Holdings Ltd
3.	Ritesh Properties Pvt Ltd
4.	Ritesh Real Estates Pvt Ltd
5.	Ritesh Construction Pvt Ltd
6.	Ritesh Nirmaan Pvt Ltd
7.	Ritesh Projects Pvt Ltd
8.	Shivshankar Securities Pvt Ltd
9.	Speed Business Pvt Ltd
10.	Ritesh Stock Broking Pvt Ltd
11.	Om Vincom Pvt Ltd
12.	VPL Oil Marketing Pvt Ltd

- Mr. Vikas Agarwal, Age 34, B. Com. is having vast experience in the area of Accounts, Taxation & Capital Market activities since last 10 years and will be added benefit for the Company if he will be among Board of directors

He is not holding any shares of the Company either in his name or in the name of his family members as on 31st March 2010.

As on 31st March 2010, he is on the Board of Directors of the following Companies.

Sr. No.	Name of the Company
1.	Darshan Vyapaar Pvt Ltd

t. 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.

u. Investors Correspondence

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

Mr. Ritesh Newatia - dpms.kolkata@gmail.com

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

Not Applicable.

w. 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.

x. 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) They have reviewed financial statements and the cash flow statement for the year and that to the best of their 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 their 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) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They 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 they 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 2010

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 thereunder and also the provisions contained in the Memorandum of Association and Articles of Association of the Company for the year ended 31st March 2010.

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. Equity Shares of the Company are listed on BSE & CSE.
2. All the requisite registers and other records required under the Act and the Rules made thereunder have been maintained in accordance with the requirements of the Act.
3. All the requisite forms, returns and documents have been filed with the Registrar of Companies and other authorities as required under the Act and Rules made thereunder.
4. All the requirements of the Act relating to the meetings of the Directors, Shareholders and Committees of the Board as well as relating to maintenance of the minutes of the proceedings there at have been complied with.
5. The Board of Directors of the Company is duly constituted.
6. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of Section 299 of the Companies Act, 1956.
7. The Company has not raised any fund by way of issuing Equity Shares on Right or Bonus or Public or Preferential issue during the financial year 2009-10.
8. Share Certificates have been delivered to the transferee within Applications for transfer and transmissions of the Shares have been registered within the prescribed for this purpose.
9. The provisions of Companies Act, 1956, relating to declaration and payment of Dividend have been complied with.
10. The amounts borrowed by the Company from Banks/Bodies Corporate are within the borrowing limits of the Company. There are no borrowings which are outstanding as on March 31, 2010.
11. Necessary approval of Directors, Shareholders, Central Government and other authorities, wherever applicable and required under the Companies Act, 1956, have been obtained.
12. The Company has altered its Memorandum of Association & Articles of Association to the tune of increased in Authorized Capital however no changes have been made elsewhere in Memorandum of Association & Articles of Association.

For **M/s. Hirendra Chandra Datta**
Company Secretaries

Place : Kolkata
Date : May 31, 2010

Hirendra Chandra Datta
Proprietor
C. P. No. 2017

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 2010 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, 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 : May 31, 2010

Ranjit Kr. Modi
Partner

Audit Report

We have audited the attached Balance Sheet of **Dynamic Portfolio Management & Services Limited** as at 31st March 2010 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 2010, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2010 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 :-
 1. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010;
 2. in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
 3. 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 : May 31, 2010

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 proper books of records 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) In our opinion and according to the information and explanation given to us, the Company has not made any substantial disposal during the year.
(d) The procedure of physical verification of stock & securities followed by management are reasonable and adequate in relation to the size of the Company nature of its business.
(e) The Company has maintained proper record of Inventories. No discrepancies noticed on physical verification of Investments as compared to the books & records.
2. The Company does not have any inventories. Accordingly the Clause 4(ii) of the Companies, (Auditors' Report) Order 2003 is not applicable.
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 are adequate internal control procedures commensurate with the size of the Company and nature of business with regard to purchase and sales. During the course of our Audit, we have not observed any continuing failure to correct major weakness of internal audit.
5. (a) In our opinion and according the information & explanations given to us, 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 respect of transactions entered exceeding the value of five lacs in the register maintained in pursuance of Section 301 of the Companies Act 1956, according to information and explanation given to us, the transactions made pursuance of such contracts or arrangements have been made 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. The Company has appointed a firm of Chartered Accountants, to carry out internal audit functions, on broadly reviewing the Audit Reports furnished before us and information and explanation given to us by the management, we are of the opinion that the Internal Audit is commensurate with the size of the Company and the nature of 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.

Dynamic Portfolio Management & Services Limited

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 2010.
(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 kept adequate records of its transactions and contracts in shares, securities, debentures and other investments and timely entries have been made therein. The Shares, Securities, Debentures and Other Investments are held in the name of the Company.
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. During the period, the Company has made allotment of shares on preferential basis. The allotment and the pricing of the shares have been made in accordance with guidelines laid down in this regard by SEBI and hence prices at which these have been issued, are prima-facie, prejudicial to the interest of the Company.
19. During the period, the Company has not issued any debentures. Accordingly Clause 4(xix) of Companies (Auditors' Report) Order, 2003 is not applicable.
20. The Company has not raised any money through a Public Issue during the year under Audit. Accordingly Clause 4(xx) of Companies (Auditors' Report) Order, 2003 is not applicable.
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 : May 31, 2010

Ranjit Kr. Modi
Partner

Dynamic Portfolio Management & Services Limited

BALANCE SHEET AS AT MARCH 31, 2010

	Schedule	31.3.2010 Rupees	31.3.2009 Rupees
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	116,129,450	116,129,450
Deferred Tax Liabilities		292	1,646
TOTAL		116,129,742	116,131,096
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	2	1,339,058	1,339,083
Less : Depreciation		1,315,647	1,286,823
Net Block		23,411	52,260
Investments	3	14,233,897	29,429,122
Current Assets, Loans & Advances			
Sundry Debtors	4	107,847	649,433
Cash & Bank Balances	5	333,737	(15,824)
Deposits & Advances	6	100,001,685	84,547,183
		100,443,269	85,180,791
Less : Current Liabilities & Provisions	7	468,798	479,809
Liabilities & Provisions		468,798	479,809
Net Current Assets		99,974,471	84,700,982
Profit & Loss Account		1,897,964	1,948,732
TOTAL		116,129,742	116,131,096
Notes forming part of the accounts & Significant Accounting Policies As per our report of even date	12		

For Mukesh Choudhary & Associates

Chartered Accountants

Ranjit Kr. Modi

Partner

Membership No. 062254

Place : Kolkata

Date : 31 May 2010

Arun Kr. Agarwal

Chairman & Managing Director

Ritesh Kr. Newatia

Director

Dynamic Portfolio Management & Services Limited

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

	Schedule	Year ended on 31.3.2010	Year ended on 31.3.2009
INCOME			
Sales		27,977,500	6,278,750
Increase/(Decrease) in Stock in Trade	8	(15,195,225)	7,991,200
Other Income	9	4,380,368	6,019,182
		17,162,643	20,289,132
EXPENDITURE			
Purchases		12,782,275	19,391,200
Payment & Provision to Employees		305,950	322,738
Administrative Expenses	10	3,981,067	642,500
Depreciation on Fixed Assets	2	28,824	127,526
		17,098,116	20,483,964
Profit before Tax		64,527	(194,832)
Provision for Taxation		10,920	31,506
Provision for Deferred Tax		(1,354)	(28,109)
Provision for Fringe Benefit Tax		-	20,201
Profit available for Appropriation		54,961	(218,430)
Adjustments for Previous Years		(4,193)	(16,455)
Profit/(Loss) b/f from previous year		(1,948,732)	(1,713,847)
Profit carried to Balance Sheet		(1,897,964)	(1,948,732)
Earnings Per Share (Basic & Diluted) (Face Value Rs. 10/- per share)	11	0.00	0.03
Notes forming part of the accounts & Significant Accounting Policies	12		

As per our report of even date

For Mukesh Choudhary & Associates

Chartered Accountants

Ranjit Kr. Modi

Partner

Membership No. 062254

Place : Kolkata

Date : 31 May 2010

Arun Kr. Agarwal

Chairman & Managing Director

Ritesh Kr. Newatia

Director

Dynamic Portfolio Management & Services Limited

SCHEDULES TO ACCOUNTS

	31.3.2010 Rupees	31.3.2009 Rupees
SCHEDULE 1		
SHARE CAPITAL		
Authorised		
121,10,000 Equity Shares of Rs. 10/- each	121,100,000	121,100,000
Issued, Subscribed & Paid-up		
116,91,800 Equity Shares of Rs. 10/- each fully paid-up	116,918,000	116,918,000
Less : Calls in Arrears	788,550	788,550
	116,129,450	116,129,450
SCHEDULE 3		
Trade Investments		
Un-Quoted (At Cost)		
2,000 (P. Y. 20,000) Shares of Chowdhurys Vinimay Pvt Ltd	100,000	1,000,000
50,000 (P. Y. Nil) Shares of Fulford Vinimay Pvt Ltd	2,500,000	-
264,500 (P. Y. 725,000) Shares of Rastra Udyog Ltd	4,677,775	15,768,750
500 (P. Y. Nil) Shares of Supreme Metals Export Pvt Ltd	100,000	-
6,000 (P. Y. 10,000) Shares of Suman Securities Pvt Ltd	300,000	500,000
Nil (P.Y. 18,550) Shares of Indo Arya Central Transport Ltd	-	2,788,750
Nil (P.Y. 1,500) Shares of Jhunjhunwala Resorts Ltd	-	1,200,000
Nil (P.Y. 2,000) Shares of Matashree Metals Pvt Ltd	-	200,000
Nil (P.Y. 37,500) Shares of Ocean Steel Pvt Ltd	-	1,500,000
Nil (P.Y. 28,750) Shares of Princep Trade & Finance Pvt Ltd	-	2,300,000
Nil (P.Y. 1,500) Shares of Royal Infra Construction Ltd	-	120,000
Nil (P.Y. 15,000) Shares of S M Niryat Pvt Ltd	-	1,500,000
Total (A)	7,677,775	26,877,500
Subsidiary & Group Companies		
96,700 (P. Y. 96,700) Shares of Darshan Vypaar Pvt Ltd	145,050	145,050
6,000 (P. Y. 6,000) Shares of Indo Polysacks Pvt Ltd	300,000	300,000
235,300 (P. Y. 232,300) Shares of Jewel Moulders & Holdings Pvt Ltd	352,950	348,450
68,000 (P. Y. 68,000) Shares of Ritesh Exim Pvt Ltd	102,000	102,000
6,750 (P. Y. Nil) Shares of Ritesh Enclave Pvt Ltd	1,350,000	-
13,000 (P. Y. Nil) Shares of Rani Sati Mercantiles Pvt Ltd	2,600,000	-
3,000 (P. Y. 11,000) Shares of Shiv Shankar Securities Pvt Ltd	600,000	1,100,000
103,600 (P. Y. 103,600) Shares of Ambaa Securities Pvt Ltd	155,400	155,400
200,361 (P. Y. 200,361) Shares of Ritesh Commercial Holdings Ltd	400,722	400,722
2,750 (P. Y. Nil) Shares of Ritesh Projects Pvt Ltd	550,000	-
Total (B)	6,556,122	2,551,622
Total (A+B)	14,233,897	29,429,122

Dynamic Portfolio Management & Services Limited

	31.3.2010 Rupees	31.3.2009 Rupees
SCHEDULE 4		
CURRENT ASSETS, LOANS & ADVANCES		
Sundry Debtors		
(Unsecured, Considered good)		
Outstanding for more than six months	-	-
Others	107,847	649,433
	107,847	649,433
SCHEDULE 5		
Cash & Bank Balances		
Cash Balance	305,705	12,510
Balance with Scheduled Bank	28,032	(28,334)
	333,737	(15,824)
SCHEDULE 6		
Loans And Advances		
(Unsecured, Considered good)		
Loans to Corporate & HNIs	66,793,331	53,102,060
Sales Tax Deposit	6,000	6,000
Advances for Other Activities	30,803,373	28,103,373
Advance Income Tax	45,913	45,913
TDS & Others	2,353,068	3,289,837
	100,001,685	84,547,183
SCHEDULE 7		
CURRENT LIABILITIES & PROVISIONS		
Liabilities & Provisions		
For Expenses	12,000	7,000
Other Liabilities	11,242	11,242
For Taxation	297,068	294,878
For NPA	148,488	148,488
For Fringe Benefit Tax	-	18,201
	468,798	479,809
SCHEDULE 8		
INCREASE/(DECREASE) IN STOCK IN TRADE		
Closing Stock	14,233,897	29,429,122
Less : Opening Stock	29,429,122	21,437,922
	(15,195,225)	7,991,200

Dynamic Portfolio Management & Services Limited

	31.3.2010 Rupees	31.3.2009 Rupees
SCHEDULE 9		
OTHER INCOME		
Interest Recd. (Including TDS Rs. 324,167/- (P.Y. 1,016,596/-)	3,701,896	5,114,933
Commission Recd. (Including TDS Rs. 55,999/- (P.Y. 78,326/-)	547,176	760,444
Profit on Sale of Car	29,975	-
Misc. Income	9,750	-
Interest on IT Refund	91,571	141,721
Dividend Recd.	-	2,084
	4,380,368	6,019,182
SCHEDULE 10		
ADMINISTRATIVE EXPENSES		
Accounting Charges	5,000	3,000
Advertisement	-	1,445
Bank Charges	-	262
Car Expenses	96,450	90,144
Filing Fees	1,500	2,000
General Expenses	47,810	39,539
Listing Fees	137,875	109,944
Loss on Sale of Car	-	216,176
Loss on Share Trading	3,490,599	-
Meeting Expenses	27,050	25,300
Office Expenses	3,740	3,641
Postage & Stamps	25,550	25,042
Printing & Stationery	37,775	18,300
Registrar & Transfer Agent Fees	25,806	26,890
Rates & Taxes	43,322	1,850
Travelling & Conveyance	31,590	71,966
Audit Fees	7,000	7,000
	3,981,067	642,500
SCHEDULE 11		
EARNING PER EQUITY SHARE		
Net Profit after tax available for Equity Shareholders	54,961	331,937
No. of Equity Shares	11,691,800	11,691,800
Basic and Diluted Earning per Share (Rs.)	0.00	0.03

**SCHEDULE 2
FIXED ASSETS**

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at 01.04.2009	Additions For the year	Adjustments As at 31.03.2010	As at 01.04.2009	For the Year	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
Air Conditioner	21,000	-	21,000	3,054	998	4,052	16,948	17,946
Computers & Accessories	40,910	-	40,910	27,816	6,632	34,448	6,462	13,094
Motor Car	1,277,173	-	1,277,148	1,255,953	21,195	1,277,148	-	21,220
TOTAL	1,339,083	-	1,339,058	1,286,823	28,824	1,315,647	23,411	52,260
Previous Year	1,710,259	-	1,339,083	1,159,297	127,526	1,286,823	52,260	550,962

SCHEDULE 12

ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS

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 Asset

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. S. C. Agarwala
 - e. Vikas Kr. Agarwal
 - f. Ashok Bothra
26. Subsidiary & Group Companies or Companies under same management –
 - i. Ambaa Securities Pvt Ltd
 - ii. Ritesh Commercial Holdings Ltd
 - iii. Ritesh Properties Pvt Ltd
 - iv. Ritesh Real Estates Pvt Ltd
 - v. Ritesh Construction Pvt Ltd
 - vi. Ritesh Nirmaan Pvt Ltd
 - vii. Ritesh Projects Pvt Ltd
 - viii. Shivshankar Securities Pvt Ltd
 - ix. Speed Business Pvt Ltd
 - x. Ritesh Stock Broking Pvt Ltd
 - xi. Om Vincom Pvt Ltd
 - xii. VPL Oil Marketing Pvt Ltd
 - xiii. Darshan Vyapaar Pvt Ltd

Dynamic Portfolio Management & Services Limited

27. Details of transactions with related parties –

Transaction with related parties	Subsidiary Companies	Key Management Personnel & Relatives
Remuneration	-	Nil
	(-)	(Nil)
Investments:		
Investment in Subsidiary		-
	(-)	(-)
Investment in Group Cos.	6556122.00	-
	2551622.00	(-)

Differed Tax on Income

28. Differed Tax Asset (Net) for the year ended 31st March 2010 amounts to Rs 292/-

29. Remuneration to Auditors

Particulars	31.03.2010	31.03.2009
Remuneration to Auditors for Audit Purpose	7000	7000

Earning per Equity Share

	Unit	31.03.2010	31.03.2009
Net Profit after Tax available for Share holders	Rs.	54961	-218430
No. of Equity Shares	No.	11691180	11691180
Basis & Diluted Earning Per Share (Rs.)	Rs.	0.00	-0.02

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, 2010. 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:

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
1577761	29429122	351500	12782275	870800	27977500	1058461	14233897
814211	21437922	1043800	19391200	280250	6278750	1577761	29429122

34. 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

Arun Kr. Agarwal
Director

Ranjit Kr. Modi
Partner

Ravi Kr. Newatia
Director

Kolkata, May 31, 2010

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	:	31.03.2010

II Capital raised during the year

Public Issue	:	Nil
Right Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil

III Position of Mobilisation and Deployment of Funds (Amount in Rs. in Thousands)

Total Liabilities	:	116130
Total Assets	:	116130

Sources of funds

Paid-up Capital	:	116130
Reserves & Surplus	:	0
Secured Loans	:	Nil
Unsecured Loans	:	Nil

Application of funds

Net Fixed Assets	:	23
Investments	:	14234
Net Current Assets	:	99974
Misc. Expenditure	:	Nil
Accumulated losses	:	1898

IV Performance of Company (Amount in Rs. In Thousands)

Turnover	:	17163
Total Expenditure	:	17098
Profit before taxes	:	65
Profit after taxes	:	55
Earning Per Share	:	0.00
Dividend rate	:	Nil

V Generic Names of Three Principal Products/Services of the Company

Product Description	Item Code No.
NBFC	N.A.
INVESTMENT IN SHARES & SECURITIES	N.A.

Dynamic Portfolio Management & Services Limited

Statement of Cash Flow Annexed to the Balance Sheet as at 31st March, 2010

	31.03.2010 Rs.	31.03.2009 Rs.
A. Cash Flow from Operating Activities		
<i>Net Profit before tax and extraordinary Items</i>	64,527	(194,832)
<i>Adjustments for</i>		
Depreciation	28,824	127,526
Loss on Sale of Car	-	216,176
Deferred Tax	-	(28,109)
<i>Operating profit before working capital changes</i>	93,352	120,761
<i>Adjustments for</i>		
Decrease (Increase) in Trade and other Receivables	541,586	(207,701)
Investments	15,195,225	(7,991,200)
Loans & Advances	(15,454,502)	10,855,704
Increase (Decrease) in Trade Payable and Provisions	(11,011)	(3,075,211)
<i>Cash Generated from operations</i>	271,298	(418,408)
Income Tax Paid For The Year	(10,920)	(16,530)
Net Cash From Operating Activities	353,730	(314,177)
B. Cash Flow From Investing Activities		
Purchase of Fixed Assets	-	155,000
Interest Received	-	-
Dividend Received	-	-
Net Cash from Investing Activities	-	155,000
C. Cash flow From Financing Activities		
Financial Expenses Paid	-	-
Net Cash used in Financing Activities	-	-
<i>Net Increase in Cash & Cash Equivalents</i>	353,730	(159,177)
<i>Opening Balance of Cash & Cash Equivalents</i>	(15,824)	143,353
<i>Closing Balance of Cash & Cash Equivalents</i>	333,737	(15,824)

For and on behalf of the Board

Arun Kr. Agarwal
Chairman & Managing Director

Kolkata, May 31, 2010

We have verified the attached Cash Flow Statement of Dynamic Portfolio Management & Services Ltd. derived from Audited Financial Statements and the books and records maintained by the Company for the year ended 31st March, 2010 and found the same in agreement therewith.

For **Mukesh Choudhary & Associates**
Chartered Accountants

Kolkata, May 31, 2010

Ranjit Kr. Modi
Partner

Dynamic Portfolio Management & Services Ltd.

53A, Mirza Ghalib Street, 4th 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 Friday, the 30th day of July 2010 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 _____ 2010

Signed by the said _____

Signature of Proxy _____

Attested by Shareholder _____

Affix
Revenue
Stamp

Dynamic Portfolio Management & Services Ltd.

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

ATTENDANCE SLIP

I hereby record my presence at the Annual General Meeting of the Company held on Friday, the
30th day of July 2010 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