DYNAMIC MICROSTEPPERS LIMITED

Regd. Off. : 506, Matharu Arcade, Above Axis Bank, Near GarwareSubhash Road,
Vile Parle (East) Mumbai – 400 057
CIN: L45206MH1985PLC036261 Tel.: (022) 26842631 Fax.: (022) 26843782

Date: September 7, 2019

To,
The Corporate Relationship Department
BSE Limited
P.J. Towers, Dalal Street
Mumbai – 400 001

Scrip Code – 531330

Dear Sir / Madam,

Subject: Submission of 34th Annual Report of Dynamic Microsteppers Limited for the financial year 2018-19 pursuant to the Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, enclosed herewith the 34th Annual Report of Dynamic Microsteppers Limited pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year 2018-19 for your information and records.

Kindly take the same on your record and oblige.

Thanking You,

Regards,
For Dynamic Microsteppers Limited

A. J. Shah

Ashwin Shah
Director
DIN: 03115009

DYNAMIC MICROSTEPPERS LTD. MUMBAI

Encl.: as above

DYNAMIC MICROSTEPPERS LIMITED

34TH ANNUAL REPORT
2018-19

DYNAMIC MICROSTEPPERS LIMITED

----------------THIRTY-FOURTH ANNUAL REPORT 2018-19--------------

Board of Directors:	**Mr. Ashwin Shah**	**Ms. Kairavi Naik**
	Mr. Chetas Shah	**Mr. Vishal Talpade**

AUDITORS: **M/s. P. JASANI & ASSOCIATES**
4-K, VIJAY CHAMBERS,
OPP. DREAMLAND CINEMA,
MUMBAI- 400 004

REGISTRARS & SHARE

TRANSFER AGENTS: **LINK INTINE INDIA PRIVATE LIMITED**
C-101, 1ST FLOOR, 247 PARK,
L.B.S. MARG, VIKHROLI (WEST),
MUMBAI-400 083
Tel: 022 25963838
Fax: 022-25946969

E-mail ID: mumbai@linkintime.co.in
Website: www.linkintime.co.in

REGISTERED OFFICE: 506, MATHARU ARCADE,
ABOVE AXIS BANK, NEAR GARWARE,
SUBHASH ROAD,
VILE PARLE (EAST)
MUMBAI- 400 057
Tel No.: 022-26831570
Fax No.: 022-26840528

E-mail ID: dynamicmicrostepperslimited@gmail.com
Web-site: www.dynamicmicrosteppers.com

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DYNAMIC MICROSTEPPERS LIMITED

Regd. Off. : 506, Matharu Arcade, Above Axis Bank, Near Garware, Subhash Road, Vile Parle (East) Mumbai – 400 057 • email id: dynamicmicrostepperslimited@gmail.com
CIN: L45206MH1985PLC036261 • Tel. (022) 26831570 • Fax. (022) 26840528
Website:www.dynamicmicrosteppers.com

NOTICE

Notice is hereby given that the 34th Annual General Meeting of the Members of **DYNAMIC MICROSTEPPERS LIMITED** will be held on Monday, September 30, 2019 at 506, Matharu Arcade, Above Axis Bank, Near Garware, Subhash Road, Vile Parle (East), Mumbai – 400 057 at 9: 00 a.m.to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the AuditedFinancial Statementsfor the financial year ended 31st March, 2019together with the Reports of Directors' and Auditors' thereon.

2. To appoint Director in place of Mr. Ashwin Shah (DIN: 03115009) who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Boardof Directors
Dynamic Microsteppers Limited
Sd/-
Ashwin Shah
Director
DIN: 03115009

Place: Mumbai
Date: August 20, 2019

Registered Office:
506, Matharu Arcade, Above Axis Bank,
Near Garware, Subhash Road,
Vile Parle (East), Mumbai – 400 057
CIN: L45206MH1985PLC036261
Tel No.: (022) 26831570**Fax No.:** (022) 26840528
Website: www.dynamicmicrosteppers.com
Email Id: investor.relations@dynamicmicrosteppers.com

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NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent, of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.**

2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

5. Members attending the Annual General Meeting (AGM) of the Company are requested to hand over the enclosed Attendance Slip, duly filled in and signed in accordance with their specimen signatures registered with the Company for admission to the AGM hall.

6. The Register of Members and Transfer Books of the Company will remain closed fromMonday, September 23, 2019 to September 30, 2019(both days inclusive).

7. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Annual General Meeting.

8. Brief profile of Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Secretarial Standards-2is annexed to the Notice of AGM.

9. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2018-19shall be sent by courier to all the Members at their registered address.

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10. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at least seven days prior to the date of the AGM to enable the management to compile the relevant information to reply the same in the meeting.

11. Further, those members who have change in their Contact Details including e-mail ID, are requested to approach the Company's Registrar and Share Transfer Agent (Link Intime India Private Limited)/ Depository (Central Depository Services (India) Limited)for changing the same.

12. Members holding shares of the Company as on Monday, September 23, 2019, shall be entitled to vote at the Annual General Meeting of the Company. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

13. Information and other instructions relating to voting by electronic means:

a. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members facility to exercise their right to vote on resolutions proposed in this notice by electronic means and the business may be transacted through e-Voting Services,the said resolutions will not be decided on a show of hands again at the AGM.

b. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) ("remote e-voting") will be provided by Central Depository Services Limited(CDSL).

c. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

d. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

e. The members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again.

f. The remote e-voting period commences onFriday, September 27, 2019(9.00a.m.) and ends onSunday, September 29, 2019 (5.00 p.m.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, September 23, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

g. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

14. The instructions for shareholders voting electronically are as under:

a. The shareholders should log on to the e-voting website www.evotingindia.comduring the voting period.

b. Click on "Shareholders" tab.

c. Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

f. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the Name in CAPITAL letter. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or the Company, please enter the Member Id / Folio Number in the Dividend Bank details field as mentioned in instruction (c).

g. After entering these details appropriately, click on "SUBMIT" tab.

h. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

j. Click on the EVSN for therelevant DYNAMIC MICROSTEPPERS LIMITED on which you choose to vote.

k. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

n. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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

p. If a demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

q. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

r. Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodians are required to log on to www.evotingindia.comand register themselves as Corporate or Custodians.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

s. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com.under help section or write an email to helpdesk.evoting@cdslindia.com

t. The voting rights of shareholders shall be in proportion to their share(s) of the paid up equity share capital of the Company as on the cut-off date (record date) of Monday, September 23, 2019. A person who is not a member as on the cut-off date should treat this notice for information purposes only. Member, who has voted electronically, shall not be entitled to vote at the Meeting.

u. The shareholders can also access the Annual Report 2018-19 of the Company circulated to the Members of the Company and other information about the Company on Company's website, i.e., www.dynamicmicrosteppers.com or on BSE's web-site: www.bseindia.com.

v. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., Monday, September 23,2019, may obtain the login ID and password by sending a request at or write an email to helpdesk.evoting@cdslindia.com

15. The Company has appointed Mr. Himanshu S. Kamdar, Partner of Rathi and Associates, Practicing Company Secretaries, as scrutinizer (the 'Scrutinizer') for conducting the voting and remote e-voting process and physical ballot process in a fair and transparent manner.

16. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

17. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48

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hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

18. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.dynamicmicrosteppers.comwithin forty eight hours form the conclusion of this Annual General Meeting of the Company and the results shall be simultaneously be communicated to BSE Limited where the shares of the Company are listed.

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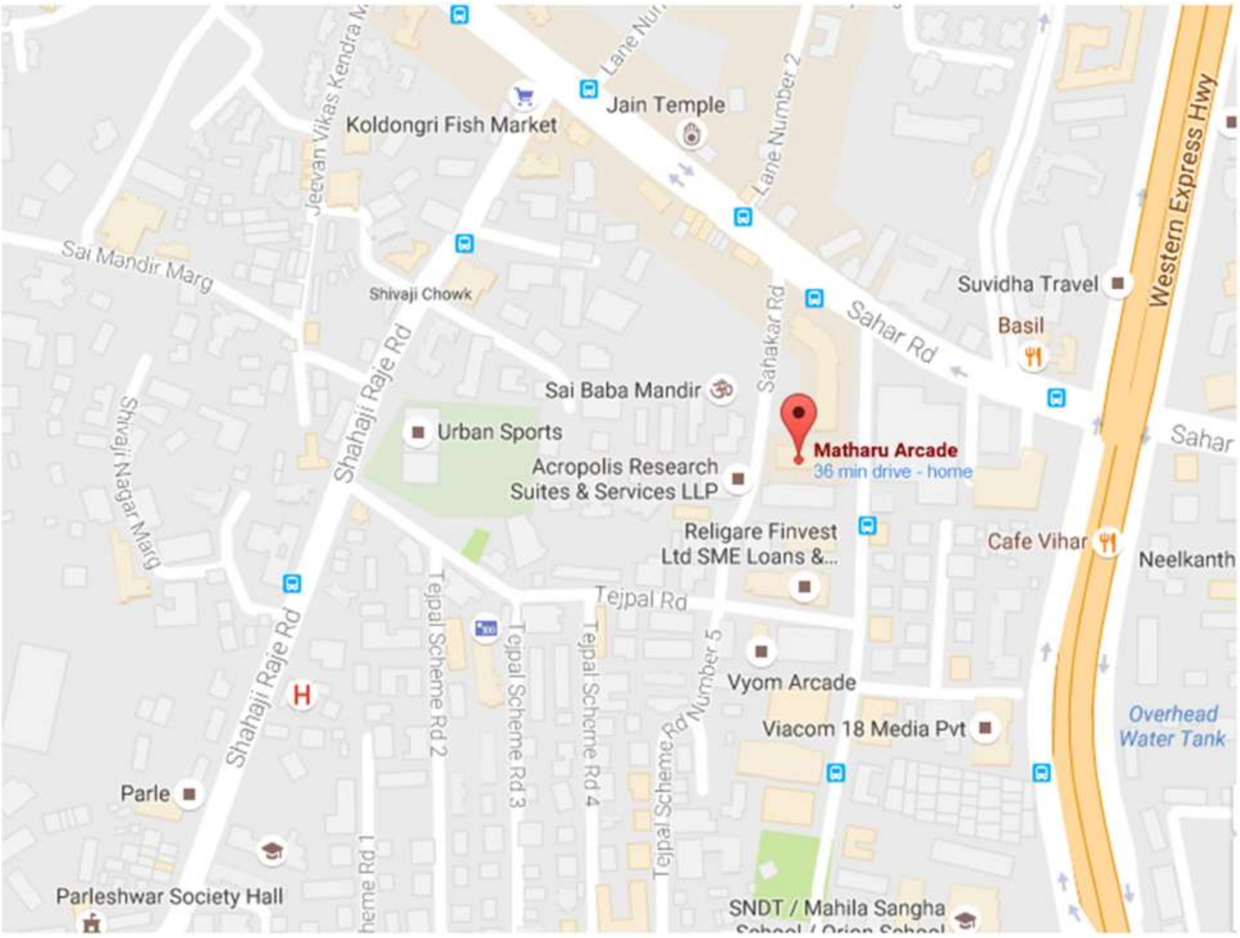
ROUTE MAP TO THE VENUE



506, Matharu Arcade, Above Axis Bank, Near
Garware, Subhash Road, Vile Parle (East), Mumbai –
400 057

BRIEF RESUME OF THE PERSON PROPOSED TO BE RE-APPOINTED AS THE DIRECTOR OF THE COMPANY AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ['SS - 2'] ARE AS UNDER:

Name	Mr. Ashwin Shah
Age	55 years
Qualifications	B.S.C from Mumbai University
Experience	Mr. Ashwin Shah has a vide experience in Infrastructure Industry.
Terms and Conditions of Appointment/re-appointment	Retire by rotation
Details of Remuneration sought to be paid	NIL
Remuneration last drawn	NIL
Date of Appointment on the Board	July 21, 1997
Shareholding in the Company	60,200 Equity Shares
Relationship with other Director, Manager and other Key Managerial Personnel of the Company	Mr. Ashwin Shah is father of Chetas Shah, Director
Number of Meetings attended during the year	Four (4)
Name of the other Companies in which also holds Directorship	NIL

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ATTENDANCE SLIP

(To be presented at the entrance)

DP ID*: ____
Folio No: ____
Client ID*: ____
No. of Shares: ____
Name and address of Shareholder: ____

I, hereby record my presence at the 34th Annual General Meeting of the Company held on Monday, September 30, 2019 at 9.00 a.m.at 506, Matharu Arcade, Above Axis Bank, Near Garware, Subhash Road, Vile Parle (East), Mumbai – 400 057

____
Signature of Shareholder/Proxy

*Applicable to Shareholders holding shares in electronic form
Note: Please fill the attendance slip and hand it over at the entrance of the Meeting Hall.

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PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): ____
Registered address: ____
E-mail Id: ____
Folio No. / Client ID No.: ____
DP ID No.: ____
I/We, being the member(s) of ________________________ Shares of Dynamic Microsteppers Limited, hereby appoint:

1. Name: ____
   E-mail ID: ____
   Address: ____
   Signature: _______________________________________ or failing him

2. Name: ____
   E-mail ID: ____
   Address: ____
   Signature: _______________________________________ or failing him

3. Name: ____
   E-mail ID: ____
   Address: ____
   Signature: ____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company to be held on Monday, September 30, 2019 at 9.00 a.m. at 506, Matharu arcade, Above Axis Bank, Near Garware, Subhash Road, Vile Parle (East), Mumbai – 400 057 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Audited Standalone Financial Statements for the financial year ended 31stMarch, 2019 together with the Reports of the Board of Directors' and Auditors' thereon; and
2. Re-appointment of Mr. Ashwin Shah (DIN: 03115009) as a Director of the Company.

Signed this .... day of 2019

Affix Revenue Stamp

Signature of shareholder: ....

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Signature of Proxy holder(s): ....
NOTES:

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at 506, Matharu arcade, Above Axis Bank, Near Garware, Subhash Road, Vile Parle (East), Mumbai – 400 057, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

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DIRECTORS' REPORT

To
The Members,
Dynamic Microsteppers Limited

Your Directors present 34th Annual Report of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2019.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS:

The Company's performance during the financial year ended 31st March, 2019 as compared to the previous financial year, is summarized below:

(Amount in Rupees)

Particulars	**For the financial year ended 31st March, 2019**	**For the financial year ended 31st March, 2018**
Income	-	-
Less: Expenses	772805	730146
Exceptional Item	-	-
Profit/Loss before tax	(772805)	(730146)
Less: Provision for tax	-	--
Income Tax of earlier years w/off	-	-
Exception Income	-	-
Exception expenditure	-	-
Loss after Tax	772805	730146

b. OPERATIONS:

During the year under review, your Company has not carried out any activities. However, there was no change in nature and business activities of the Company.

During the year under the review, the total expenditure incurred during the year amounted to Rs.772805/- as against Rs. 730146/-incurred in the previous year. The net loss amounted to Rs.772805/- as against Rs. 730146/-in the previous year.

Presently, your directors are taking effective steps to consider various options to commence activities in the field of Infrastructure and for adoption of and to revamp the operations with activities wherein the promoters have core competency.

c. **REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:**
During the year under review, your Company did not have any subsidiary, associate and joint venture company.

d. **DIVIDEND:**
Considering the loss incurred in the current financial year and accumulated losses, your Directors have not recommended any dividend for the financial year under review.

e. **TRANSFER TO RESERVES:**
In view of loss incurred during the year under review, the Board of Directors has not recommended transfer of any amount to reserves.

f. **REVISION OF FINANCIAL STATEMENT:**
There was no revision of the financial statements for the year under review.

g. **DISCLOSURESUNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:**
No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

h. **DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:**
The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are in place and has been operating satisfactorily. During the year under review, no material or serious observation has been received from the Internal Auditor of the Company for inefficiency or inadequacy of such controls.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. **Board of Directors & Key Managerial Personnel:**

There were no changes in the composition of the Board of Director and the Key Managerial Personnel of the Company during the reporting period.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Ashwin Shah (DIN: 03115009) will retire by rotation at the ensuing Annual General Meeting. Mr. Ashwin Shah, being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

b. Declarations given by Independent Directors:

The Company has received and taken on record the declarations received from all the Independent Directors of the Company in accordance to Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

In accordance with the provisions of section 152 (6) (e) of the Companies Act, 2013 none of the Independent Directors are liable to retire by rotation.

c. Familiarisation Programme for Independent Directors:

The Company has formulated a programme for Familiarization of Independent Directors with regards to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The details of the familiarization Programme are available on the website of the Company. However during the year under review, there was no change in the nature of business of the Company and its business vertical/ Structure/ operational strategy etc which would have necessitated a fresh Familiarization Programme for Independent Directors.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

a. Meetings of the Board:

Four meetings of the Board were convened during the financial year under review i.e., 30th May, 2018, 14th August, 2018, 14th November, 2018and 12th February, 2019.

Number of Board Meetings attended by each Director is as follows:

Name of Director	Category	Total Board Meetings attended
Mr. Ashwin Shah	Chairman & Non-Executive Director	4
Mr. Chetas Shah	Non-Executive Director	4
Mr. Vishal Talpade	Independent Director	4
Ms. Kairavi Naik	Independent Director	4

b. Director's Responsibility Statement:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2019, the Board of Directors hereby confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
b. such accounting policies have been selected and applied consistently and the Directors 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 as at 31st March, 2019 and of the loss of the Company for that year;

c. proper and sufficient care was taken 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;
d. the annual accounts of the Company have been prepared on a going concern basis;
e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

c. <u>Nomination and Remuneration Committee:</u>

The Nomination and Remuneration Committee of Directors was re-constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

Name of Member	Category	Designation
Mr. Vishal Talpade	Independent Director	Chairman
Ms. KairaviNaik	Independent Director	Member
Mr. Chetas Shah	Non-Executive Director	Member

During the year under review, no meeting of Nomination & Remuneration Committee was held.

The Board on recommendation of the Nomination and Remuneration Committee has approved a policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees in accordance with the provisions of Section 178 of the Act.

Major criteria defined in the policy framed for appointment of the Directors including criteria for determining qualifications, positive attributes, Independence, etc are as under:

I <u>Selection of Directors and Key Managerial Personnel :</u>

In case of Executive Directors and Key Managerial Personnel, the selection can be made in either of the ways given below:

a) by way of recruitment from outside;
b) from within the Company hierarchy; or
c) Upon recommendation by the Chairman or other Directors.

The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director or it may be a fresh appointment.

In case of Non-Executive Directors the selection can be made in either of the ways given below:

a) By way of selection from the data bank of Independent Directors maintained by the Government.
b) Upon recommendation by Chairman or other Directors.

II <u>Qualifications, Experience And Positive Attributes Of Directors</u>

a) While appointing a Director, it shall always be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then while recommending the appointment, the job description to the Committee shall be provided and along with justifications that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment.

c) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

III <u>Independence of Directors:</u>

While making appointment of directors, following principles shall be observed by the Board, as far as practicable:

a) There shall be a proper mix of Executive and Non-Executive Directors and Independent and non-independent directors on the Board. The Company shall always be in compliance of the provisions of Section 149 of the Companies Act, 2013, as amended from time to time, in this regard.

b) There shall be a workable mix of directors drawn from various disciplines like technical, finance, commercial, legal etc.

c) While appointing a director to fill in a casual vacancy caused by death, resignation etc. of a director, an effort shall be made, as far as possible, to appoint such a person in his place who has the relevant experience in the fields or disciplines in which the outgoing director had with relevant expertise as requisite to Business of the Company.

d) No preference on the basis of gender, religion or cast shall be given while considering the appointment of directors.

While appointing independent directors, the criteria for the independent directors, as laid down in Section 149 (6) of the Companies Act, 2013 shall be followed.

d. Audit Committee:

The Audit Committee of Directors of the Company is in accordance with the provisions of Section 177 of the Companies Act, 2013. The Audit Committee comprises of:

Name	Category	Designation
Mr. Vishal Talpade	Independent Director	Chairman
Ms. KairaviNaik	Independent Director	Member
Mr. AshwinShah	Non-Executive Director	Member

The scope and terms of reference of the Audit Committee have been amended in accordance with the Companies Act, 2013.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Committee.

The Audit Committee of the Company met four times during the year under review i.e., 30th May, 2018, 14th August, 2018, 14th November, 2018 and 12th February, 2019. Number of Audit Committee Meetings attended by each Member is as follows:

Name of Director	Category	Total Audit Committee Meetings attended
Mr. Vishal Talpade	Independent Director	4
Ms. Kairavi Naik	Independent Director	4
Mr. Ashwin Shah	Chairman & Non-Executive Director	4

e. Stakeholders Relationship Committee:

During the year under review, Stakeholder's Relationship Committee is duly constituted comprising of Mr. Vishal Talpade as its Chairman and Ms. Kairavi Naik and Mr. Ashwin Shah as the Committee Members.

The Stakeholder Relationship Committee met once during the Financial Year under review i.e. on 12th February, 2019.

Number of Stakeholders Relationship Committee Meetings attended by each Member is as follows:

Name of Director	Category	Total Stakeholder Committee Meetings attended
Mr. Vishal Talpade	Independent Director	1
Mr. Ashwin Shah	Chairman & Non-Executive Director	1

f. Vigil Mechanism policy for the Directors and Employees:

The Board of Directors of the Company has pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and Employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is hosted on the Company's website at www.dynamicmicrosteppers.com.

g. Risk Management Policy:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A Risk Management Policy has been formulated by the Audit Committee of the Company to analyze and deal with various risks posing potential threats to the Company. The Board has also adopted a Risk Management Policy. Key business risks and their mitigation are considered in day-to-day working of the Company.

h. Annual Evaluation of Directors, Committee and Board:

Nomination and Remuneration Committee of the Board had prepared and sent, through its Chairman, feedback forms for evaluation of the Board, Independent Directors and the Chairman. The Independent Directors at their meeting considered and evaluated the Board's performance, performance of the Chairman and other Non-Independent Directors. The Board subsequently evaluated performance of the Board, the Committees and Independent Directors; without participation of the concerned Director.

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 12th February, 2019 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination, Remuneration and Compensation Committee is as below:

- Ethics and values,
- knowledge and proficiency,
- diligence,
- Behavioral traits and
- Efforts for personal development

Similarly, performance evaluation of the Chairman and Non – Independent Directors was carried out by the Independent Directors.

i. **Internal Control Systems:**
Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

j. **Disclosure under Section 197(12) of the Companies Act, 2013 and other Disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014:**
Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 of Companies (Appointment & Remuneration) Rules, 2014, every Listed Company mandates to disclose in its Directors' Report the ratio of the remuneration of each director to the median of the permanent employee's remuneration.

However, since there is no permanent employee in the Company, no disclosure under the said provision has been furnished.

4. **AUDITORS AND REPORTS:**
The matters related to Auditors and their Reports are as under:

a. **Observations of Statutory Auditors on accounts for the year ended 31st March 2019:**
The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2019 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

b. **Secretarial Audit Report for the year ended 31st March 2019:**
Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report from Practicing Company Secretary. M/s. Rathi and Associates, Company Secretaries who were appointed to conduct and issue Secretarial Audit Report for the financial year 2018-19.

The Secretarial Audit Report issued by M/s Rathi and Associates, Company Secretaries in Form MR-3 for the financial year 2018-19 forms part to this report **and marked as Annexure II**. Pursuant to the Section 134(3) of the Companies Act, 2013 and with respect to the observation made by the Secretarial Auditors of the Company on the compliance of Laws/Acts, the Board of Directors states as under;

i. No Appointment of Company Secretary and Compliance Officer:
Management Response: The Company is in process of appointing the Company Secretary and Compliance Officer as per the requirements of Section 203 of the Companies Act, 2013.

ii. Not paid Listing fees and not Complied with the Listing Regulations of Regional Stock Exchanges:
Management Response: The Company is in process of delisting its shares from all the Regional Stock Exchanges.

iii. Not Complied with the provisions related to Promoters holding in dematerialized form:
Management Response: The promoters of the Company are in process of converting their shareholding into dematerialised form.

iv. Not Complied with the regulations related to outcome and intimation of the Board Meeting held:
Management Response: The outcome related to financial results for the quarter ended 30th September 2018 were not filed on or before the due date due to inadvertence.

c. INTERNAL AUDIT:
Ms. Rachana Thakkar, Internal Auditor of the Company has carried out audit on various expense heads of the Company. The findings of the Internal Auditor are discussed on an on-going basis in the meetings of the Audit Committee and corrective actions are taken as per the directions of the Audit Committee.

5. OTHER DISCLOSURES:
Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. Extract of Annual Return:
Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2019 made under the provisions of Section 92(3) of the Act is attached as **Annexure1** which forms part of this Report.

b. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished considering the fact that the Company has not undertaken any activities by the Company during the year under review.

During the year under review, the Company has neither earned nor used any foreign exchange.

6. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on the following items during the year under review:

1. Deposits covered under Chapter V of the Act;
2. no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and Company's operations in future;
3. no issue of equity shares with differential rights as to dividend, voting or otherwise;
4. neither made any investments nor provided any loans, guarantees and securities.
5. no issue of shares (including sweat equity shares) to employees of the Company under any scheme;
6. no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 as the Company did not create any such scheme during the year;
7. does not have any holding/subsidiary company, hence none of the managerial personnel are in receipt of remuneration or commission from the holding/subsidiary company;
8. no transactions/contracts/arrangements entered by the Company with related party (ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review that are required to be reported in **Form AOC-2** and as such does not form part of the Report.

Your directors further state pursuant to the provisions of Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, no case pertaining to sexual harassment at workplace has been reported to the Company during financial year 2018-19.

7. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board of Directors
Dynamic Microsteppers Limited

Ashwin Shah
Chairman
DIN: 03115009

Place: Mumbai
Date: May 30, 2019
Registered Office:
506, Matharu Arcade, Above Axis Bank,
Near Garware, Subhash Road,
Vile Parle (East), Mumbai- 400 057
CIN: L45206MH1985PLC036261
Tel No. 022-26831570**Fax No.** 022-26840528
Mail: investor.relations@dynamicmicrosteppers.com
Website: www.dynamicmicrosteppers.com

ANNEXURE I

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L45206MH1985PLC036261
Registration Date	:	18/05/1985
Name of the Company	:	Dynamic Microsteppers Limited
Category / Sub-Category of the Company	:	Company limited by shares/ Indian Non-government Company
Address of the Registered office and contact details	:	506, Matharu Arcade, Above Axis Bank, Near Garware Subhash Road, Vile Parle (East) Mumbai- 400 057
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Pvt. Ltd., C-101, 247 Park , L.B.S. Marg, Vikhroli (W) Mumbai- 400 083

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
-	-	-	-

Comment [d1]: To put NIC code

III. PARTICULARS OF HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY:

During the year under review, your Company did not have any Holding, subsidiary, associate and joint venture company.

DYNAMIC MICROSTEPPERS LIMITED

Regd. Off. : 506, Matharu Arcade, Above Axis Bank, Near GarwareSubhash Road,
Vile Parle (East) Mumbai – 400 057
CIN: L45206MH1985PLC036261 Tel. (022) 26831570 Fax. (022) 26840528

I **SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):**

i. Category-wise Share Holding as on 31st March, 2019:

Comment [u2]: Kindly confirm

Sr. No	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	0	915650	915650	26.55	0	915650	915650	26.55	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	'0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	0	33750	33750	0.98	0	33750	33750	0.98	0.00
	Sub Total (A)(1)	**0**	**949400**	**949400**	**27.53**	**0**	**949400**	**949400**	**27.53**	**0.00**
[2]	**Foreign**									
(a)	Individuals (Non-Resident Individuals / Foreign	0	0	0	0.00	0	0	0	0.00	0.00

	Individuals)									
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									
	Sub Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+ (A)(2)	**0**	**949400**	**949400**	**27.53**	**0**	**949400**	**949400**	**27.53**	**0.00**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Financial Institutions / Banks	0	14000	14000	0.41	0	14000	14000	0.41	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension	0	0	0	0.00	0	0	0	0.00	0.00

	Funds									
(i)	Any Other (Specify)									
	Sub Total (B)(1)	**0**	**14000**	**14000**	**0.41**	**0**	**14000**	**14000**	**0.41**	**0.00**
[2]	Central Government/ State Government(s) / President of India	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital uptoRs. 2 lakh.	69200	818700	887900	25.79	69200	818700	887900	25.79	
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	137700	932600	1070300	31.03	137700	932600	1070300	31.03	0.00
(b)	NBFCs registered with RBI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Employee Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)									

Comment [u3]: last year it was upto 1 lakh but this year the daetails show upto 2 lakh

	Hindu Undivided Family	4100	29600	301000	8.73	4100	29600	301000	8.73	0.00
	Foreign Companies	0	60000	60000	1.74	0	60000	60000	1.74	0.00
	Non Resident Indians (Repat)		160000	160000	4.64	0	160000	160000	4.64	0.00
	Clearing Member	1100	0	1100	0.03	1100	0	1100	0.03	0.03
	Bodies Corporate		5100	5100	0.15	0	5100	5100	0.18	-
	Sub Total (B)(3)	**133300**	2352100	2485400	72.07	248500		2485400	72.07	0.00
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	133300	2366100	2499400	72.47	212100	2273300	2499400	72.47	0.00
	Total (A)+(B)	212100	3236700	3448800	100.00	**212100**	3236700	3448800	100.00	0.00
(C)	**Non Promoter - Non Public**									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	133300	3315500	3448800	100.00	133700	3315100	3448800	100.00	

ii. SHAREHOLDING OF PROMOTERS:

Comment [u4]: Kindly insert and confirm

Please check the shareholding pattern submitted to Stock Exchange

Sr. No	Shareholder's Name	Shareholding at the beginning of the year - 2018			Shareholding at the end of the year – 2019			% change in shareholding during the year
		No. of Shares held	% of total Shares of the company	%of Shares Pledged /encumbered to total shares	No. of Shares held	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	MAHESH SHANTILAL SHAH	160000	'4.6393	'0.0000	160000	'4.6393	'0.0000	'0.0000
2	PUSHPABEN S SHAH	158550	'4.5973	'0.0000	158550	'4.5973	'0.0000	'0.0000
3	PUSHPABEN S SHAH	77000	'2.2327	'0.0000	77000	'2.2327	'0.0000	'0.0000
4	CHETAS SHAH	76650	'2.2225	'0.0000	76650	'2.2225	'0.0000	'0.0000
5	JITENDRA S SHAH HUF	60800	'1.7629	'0.0000	60800	'1.7629	'0.0000	'0.0000
6	ASHWIN SHANTILAL SHAH	60200	'1.7455	'0.0000	60200	'1.7455	'0.0000	'0.0000
7	FORUM LALIT SHAH	48000	'1.3918	'0.0000	48000	'1.3918	'0.0000	'0.0000
8	BHAIRAVI LALIT SHAH	37500	'1.0873	'0.0000	37500	'1.0873	'0.0000	'0.0000
9	SHANTILAL M SHAH HUF	26400	'0.7655	'0.0000	26400	'0.7655	'0.0000	'0.0000
10	PURAV B PATADIA	25550	'0.7408	'0.0000	25550	'0.7408	'0.0000	'0.0000
11	B C PATADIA HUF	23000	'0.6669	'0.0000	23000	'0.6669	'0.0000	'0.0000
12	C M PATADIA HUF	20300	'0.5886	'0.0000	20300	'0.5886	'0.0000	'0.0000
13	KOKILA B PATADIA	18550	'0.5379	'0.0000	18550	'0.5379	'0.0000	'0.0000
14	BHAIRAVI L	14400	'0.4175	'0.0000	14400	'0.4175	'0.0000	'0.0000

	SHAH							
15	LALIT S SHAH HUF	14300	'0.4146	'0.0000	14300	'0.4146	'0.0000	'0.0000
16	BHARAT C PATADIA	13500	'0.3914	'0.0000	13500	'0.3914	'0.0000	'0.0000
17	HARSHAD SHANTILAL SHAH	12100	'0.3508	'0.0000	12100	'0.3508	'0.0000	'0.0000
18	AVANI B PATADIA	10100	'0.2929	'0.0000	10100	'0.2929	'0.0000	'0.0000
19	ADVANCE TIME TECHNIQUES PVT LTD	10000	'0.2900	'0.0000	10000	'0.2900	'0.0000	'0.0000
20	ADVANCE TIME TECHNIQUES PVT LTD	10000	'0.2900	'0.0000	10000	'0.2900	'0.0000	'0.0000
21	ADVANCE TIME TECHNIQUES PVT LTD	10000	'0.2900	'0.0000	10000	'0.2900	'0.0000	'0.0000
22	LALIT SHAH	7500	'0.2175	'0.0000	7500	'0.2175	'0.0000	'0.0000
23	KAJAL LALIT SHAH	5100	'0.1479	'0.0000	5100	'0.1479	'0.0000	'0.0000
24	PRITI LALIT SHAH	5000	'0.1450	'0.0000	5000	'0.1450	'0.0000	'0.0000
25	BHARAT PATADIA	4500	'0.1305	'0.0000	4500	'0.1305	'0.0000	'0.0000
26	ADVANCE TIME TECHNIQUE (P) LTD	3750	'0.1087	'0.0000	3750	'0.1087	'0.0000	'0.0000
27	KOKILA B PATADIA	2600	'0.0754	'0.0000	2600	'0.0754	'0.0000	'0.0000
28	SHARVILLA N PATADIA	2600	'0.0754	'0.0000	2600	'0.0754	'0.0000	'0.0000
29	JITENDRA SHAH	2500	'0.0725	'0.0000	2500	'0.0725	'0.0000	'0.0000
30	KAJAL SHAH	2500	'0.0725	'0.0000	2500	'0.0725	'0.0000	'0.0000
31	LALIT SHAH (HUF)	2500	'0.0725	'0.0000	2500	'0.0725	'0.0000	'0.0000
32	BHARAT C PATADIA (HUF)	2300	'0.0667	'0.0000	2300	'0.0667	'0.0000	'0.0000
33	SHANTILAL	2200	'0.0638	'0.0000	2200	'0.0638	'0.0000	'0.0000

	SHAH							
34	PUSHPABEN SHAH	2150	'0.0623	'0.0000	2150	'0.0623	'0.0000	'0.0000
35	ASHWIN SHAH	1750	'0.0507	'0.0000	1750	'0.0507	'0.0000	'0.0000
36	HARSHAD SHAH	1750	'0.0507	'0.0000	1750	'0.0507	'0.0000	'0.0000
37	KAMLESH SHAH	1750	'0.0507	'0.0000	1750	'0.0507	'0.0000	'0.0000
38	LATA SHAH	1750	'0.0507	'0.0000	1750	'0.0507	'0.0000	'0.0000
39	MAHESH SHAH	1750	'0.0507	'0.0000	1750	'0.0507	'0.0000	'0.0000
40	SUDHA SHAH	1750	'0.0507	'0.0000	1750	'0.0507	'0.0000	'0.0000
41	LALIT SHAH (H U F)	1500	'0.0435	'0.0000	1500	'0.0435	'0.0000	'0.0000
42	BHARAT PATADIA (H U F)	1300	'0.0377	'0.0000	1300	'0.0377	'0.0000	'0.0000
43	MEENA J SHAH	1200	'0.0348	'0.0000	1200	'0.0348	'0.0000	'0.0000
44	BHAIRAVI SHAH	1000	'0.0290	'0.0000	1000	'0.0290	'0.0000	'0.0000
45	MEENA SHAH	1000	'0.0290	'0.0000	1000	'0.0290	'0.0000	'0.0000
46	BHARAT PATADIA (HUF)	400	'0.0116	'0.0000	400	'0.0116	'0.0000	'0.0000
47	LALIT SHAH	200	'0.0058	'0.0000	200	'0.0058	'0.0000	'0.0000
48	JITENDRA SHAH	200	'0.0058	'0.0000	200	'0.0058	'0.0000	'0.0000
	Total	949400	'27.5284	'0.0000	949400	'27.5284	'0.0000	'0.0000

iii. **CHANGE IN PROMOTERS' SHAREHOLDING:**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	**There has been no change in Promoter's Shareholding during the year under review.**			
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)				
	At the End of the year				

iv. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS OTHER THAN DIRECTORS, PROMOTERS:**

Comment [u5]: Kindly confirm

Sr. No.	Name & type of transaction	Shareholding at the beginning of the year - 2018		Cumulative Shareholding at the end of the year - 2019	
		No. of shares held	% of total shares of the Company	No. of shares held	% of total shares of the Company
1.	NAYAN J VIKAMSEY	244700	7.0952	244700	7.0952
	AT THE END OF THE YEAR			244700	7.0952
2.	HIRALAL M SHAH HUF	75500	2.19	75500	2.1892
	AT THE END OF THE YEAR				4.64
3.	BHAGWAN H PARMAR	70000	2.03	70000	2.03
	AT THE END OF THE YEAR			70000	2.03
4.	SHRIKANT G SHAH HUF	67200	1.9485	67200	1.9485
	AT THE END OF THE YEAR			67200	1.9485
5.	ADOLF HANHART GMBH & CO K G	60000	1.7397	60000	1.7397
	AT THE END OF THE YEAR			60000	1.7397
6.	VIMLABEN DALICHAND SHAH	54000	1.5658	54000	1.5658
	AT THE END OF THE YEAR			54000	1.5658
7.	SANJAY D SHAH	53100	1.5397	53100	1.5397

	AT THE END OF THE YEAR			53100	1.5397
8.	JAMANABEN KANTILAL SHAH	50000	1.4498	50000	1.4498
	AT THE END OF THE YEAR			50000	1.4488
9.	KANTA CHOUDHARY	43300	1.2555	43300	1.2555
	AT THE END OF THE YEAR			43300	1.2555
10.	RAJAN K SHAH	40800	1.1830	40800	1.1830
	AT THE END OF THE YEAR			40800	1.1830

v. **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Comment [u6]: Kindly confirm

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Directors and KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	**AshwinShantilal Shah**				
	At the beginning of the year	61950		60200	1.80
	At the end of the year			60200	1.7455
2.	**KairaviMukeshNaik**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	**Vishal SundeepTalpade**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
4.	**ChetasAshwin Shah**				
	At the beginning of the year	76650	-	76650	2.22
	At the end of the year	76650	-	76650	2.22

II INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	9956030	-	9956030
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	9956030	-	9956030
Change in Indebtedness during the financial year				
Addition	-	645000	-	645000
Reduction	-	-	-	-
Net Change	-	645000	-	645000
Indebtedness at the end of the financial year				
i) Principal Amount	-	10601030	-	10601030
ii) Interest due but not paid	-		-	-
iii) Interest accrued but not due	-		-	-
Total (i+ii+iii)	-	10601030	-	10601030

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Company has not paid any remuneration to any of its Directors or Key Managerial Personnel during the year under review.

IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

For and on behalf of the Board of Directors of

Dynamic Microsteppers Limited

Ashwin Shah
Chairman
DIN: 03115009

Place: Mumbai
Date: ______________

Registered Office:
506, Matharu Arcade, Above Axis Bank,
Near Garware, Subhash Road,
Vile Parle (East), Mumbai- 400 057
CIN: L45206MH1985PLC036261
Tel No. 022-26831570 **Fax No.** 022-26840528
Mail: investor.relations@dynamicmicrosteppers.com
Website: www.dynamicmicrosteppers.com

Annexure II

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

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

To,
The Members
Dynamic Microsteppers Limited
506, Matharu Arcade, Above Axis Bank,
Near Garware Subhash Road,
Vile Parle (East),
Mumbai - 400 057

Dear Sirs,

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

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Dynamic Microsteppers Limited ("the Company") as given in **Annexure A**, for the financial year ended on 31st March, 2019, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent applicable;

   (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made thereunder;

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the financial year under review:

i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

ii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;

iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

vi. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

3. Foreign Exchange Management Act, 1999 and the rules and regulations made there under were not applicable to the Company during the Audit period.

4. We have been informed by the Company that there are no specific laws applicable to the Company, since the Company did not undertake any activities during the year under report.

We have also examined compliance with the applicable clauses of Secretarial Standards including the revised Secretarial Standards applicable with effect from October 1, 2017 issued by The Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the remarks and observations as given hereunder:

Sr. No.	***Particulars***
	Companies Act, 2013 and Secretarial Standards
1.	*The Company has not appointed a Whole-time Company Secretary pursuant to the provisions of Section 203(1) of the Companies Act, 2013 read with Rule 8A of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*
2.	*The Company has till date not filed e-form MGT-15 (Report on Annual General Meeting), e-form AOC-4 XBRL (Filing of XBRL document in respect of Financial Statement and other documents with the Registrar) and e-form MGT-7 (Annual Return) for the financial year 2017-18.*
	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")
3.	*As regards listing of the Company's shares at the regional stock exchanges viz. Calcutta Stock Exchange Limited (CSE) and Ahmedabad Stock Exchange Limited (ASE):* *a) The Company has not paid listing fees;* *b) The Company has not complied with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
4.	*As per Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, 100% of the promoter and promoter's group holding is not in dematerialised form.*
5.	*The Company is yet to pay the listing fees to BSE Limited*
6.	*There has been delay in filing the shareholding pattern for the June quarter 2018, outcome of the Board Meeting held on 14th November 2018 and unaudited quarterly financial results for the quarter ended 30th September 2018.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors including one Woman Director. There were no changes in the composition of the Board of Directors during the year under report.

Adequate notice was generally given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system existed for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

There were no dissenting members' views during the year under report and hence the same was not required to be captured and recorded as part of the minutes.

We further report that there were adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For RATHI & ASSOCIATES
COMPANY SECRETARIES

JAYESH M. SHAH
PARTNER
FCS No. 5367

Place: Mumbai
Date: May 30, 2019

ANNEXURE - A

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2018;
3. Minutes of the meetings of the Board of Directors, Audit Committee and Stakeholders' Relationship Committee held during the financial year under report along with Attendance Register;
4. Minutes of General Body Meetings held during the financial year under report;
5. Statutory Registers maintained under the relevant provision of Companies Act, 2013;
6. Agenda papers submitted to all the Directors/members for the Board Meetings and Committee Meetings;
7. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), 164(2) and 149(7) of the Companies Act, 2013;
8. e-Forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
9. Intimations received under the Prohibition of Insider Trading Code;
10. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
11. Intimations given to concerned persons connected to the Company for closure of the trading window from time to time;
12. Various Policies under the Companies Act, 2013, and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

➢ INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company's main activities fall within the infrastructure industry. The Industry gets projects mainly from government tenders at state and centre level, private bodies and civic bodies. All the bodies have their stipulated norms / criteria for awarding the work contract. The economic conditions of the Country, government infrastructure program, outlay of the government for the infrastructure etc. have direct impact on the Company's operations. The Industry has bounced back and is on the track of slow but gradual improvement.

➢ OPPORTUNITIES AND THREATS

The improvement in global economy and liquidity situation coupled with the stimulus packages offered by the Indian and various Governments provides an opportunity for growth of infrastructure sector. With increase in cost of inputs and overall inflation has vital impact on the Sector and likely spill over the effect in the current financial year.

➢ SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company operates in One Segment.

➢ OUTLOOK

The Company is in the process of reviving its operations by commencement of business within the available means. Presently net worth of the Company has been eroded fully hence the prime object is to bring back the Company out of the negative zone by infusing funds and brining business to enable to sustain in the tough competitive market conditions.

➢ RISKS AND CONCERNS

As the Company is revamping its entire operations and business, it is in the process of forming risk management framework in place. The proposed process will ensure implementation of control measures and arriving at desired measures considering the risk appetite of the Company.

➢ DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company has not carried out any operations during the financial year 2018-19. The Company is expected to be out of negative results in couple of years' time.

➢ CAUTIONARY STATEMENT

Some of the statements in this Management Discussion and Analysis Report describing Company's objectives, projections, estimates and expectation may be forward looking statement within the meaning of applicable laws and regulations. Actual result might differ substantially or materially from those expressed or implied.

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DYNAMIC MICROSTEPPERS LIMITED

FINANCIAL STATEMENTS

FOR

F.Y. 2018-19

****

P.JASANI & ASSOCIATES
[Chartered Accountants]

4/K, Vijay Chambers
4th Floor, Opp.Dreamland Cinema,
Off.Raja Rammohan Roy Road
Mumbai- 400 004
Tel: 2386 02 44 : 2386 83 26

To,
The Members of-
DYNAMIC MICROSTEPPERS LIMITED,
MUMBAI.

" AUDITORS' REPORT "

Report on Financial Statements

We have audited the accompanying financial statements of **DYNAMIC MICROSTEPPERS LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Director is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds & other irregularities, selection & application of appropriate accounting policies, making judgments & estimates that are reasonable & prudent and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true & fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit for the year ended on that date;

Report on Other Legal & Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

2. As required by section 143(3) of the Act, we report that:

a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c) the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Indian Accounting Standards prescribed under section 133 of the Act;

e) on the basis of written representations received from the directors of the Company as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long –term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For: P.JASANI & ASSOCIATES
[Chartered Accountants]
FRN:-116628W

P.R. JASANI (Partner)
Mem. No. 032477
Place : MUMBAI
Date : 30.05.19

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

Annexure "A" To The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

1 (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the Management at reasonable intervals; any material discrepancies noticed on such verification have been properly dealt with in the Books of Accounts;

(c) According to the information and explanations given to us and on the basis of our

(i) examination of Original Agreement for Plot No 24 alongwith Factory Premises,

(ii) examination of Xerox Copies of Agreement for Leasehold Plot bearing Plot No W-6A at Additional Dhule Industrial Estate, Village Laling, Dhule,

(iii) examination of Xerox Copies of Agreement for Freehold Plot bearing Plot No TPS 7, Final Plot No 37A Industrial Estate Dhule,

the title deeds of immovable properties are held in the name of the Company.

2 The Company does not have any inventory & hence para 3(ii) of the Order would not be applicable to the Company.

3 The Company has not granted any Loans to Parties mentioned in the Register maintained under Section 189 of The Companies Act' 2013.

4 In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities as applicable.

5 According to the information and explanations given to us, the Company has not accepted any deposit from the public, and accordingly paragraph 3(v) of the Order is not applicable.

6 The maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act. Thus reporting under clause 3(vi) of the order is not applicable to the Company.

7 (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing undisputed

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Custom Duty, and other statutory dues, as applicable with the appropriate authorities in India.

(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax, Service Tax, Sales Tax and Custom Duty which have not been deposited on account of any disputes.

8 The Company does not have any loans or borrowings from any Financial Institution, Banks, Government or Debenture Holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations given to us, the Company has not paid managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.

12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, there are no transactions with the related parties as referred to in sections 177 & 188 of the Act. Accordingly, paragraph 3(xiii) of the Order is not applicable.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For: P. JASANI & ASSOCIATES
[Chartered Accountants]
FRN # 116628W

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

P.R. JASANI (Partner)
Mem. No. 032477
Place : MUMBAI
Date : 30.05.19

Annexure "B" to the Independent Auditors' Report

Report on the Internal Financial Controls under clause(I) of Sub-section 3 of Section 143 of the Companies Act, 213 ("the Act")

We have audited the internal financial controls over financial reporting of **DYNAMIC MICROSTEPPERS LIMITED, ("the Company")** as of 31st March, 2019 in conjunction with our audit of the financial statements of the Company comprising of the Balance Sheet as at 31st March, 2019 and the Statement of Profit and Loss Account for the period then ended.

Management's Responsibility for Internal Financial Controls:

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

Auditor's Responsibility:

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls system over financial reporting, assessing the risk that a material weakness exists,

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.

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

Meaning of internal financial controls system over financial reporting :

A Company's internal financial controls system over financial reporting is process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls system over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company,

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company ; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements,

Limitations of Internal Financial Controls over Financial Reporting :

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

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

Opinion:

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls system over financial reporting were operating effectively as at March 31st, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of chartered Accountants of India.

For: P. JASANI & ASSOCIATES
[Chartered Accountants]
FRN # 116628W

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

P. R. Jasani (Partner)
M. No. 032477
Place : Mumbai
Date : 30.05.19

DYNAMIC MICROSTEPPERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

PARTICULARS	NOTE NO.	AS AT 31.3.2019 Rs.	AS AT 31.3.2018 Rs.
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant & Equipment	3	3,716,064	3,716,064
(b) Other Assets	4	7,073	7,073
2 Current Assets			
(a) Cash and Cash Equivalent	5	27,193	89,737
		3,750,330	**3,812,874**
B EQUITY AND LIABILITIES			
1 Equity			
(a) Share Capital	6	34,488,000	34,488,000
(b) Other Equity	7	-41,513,080	-40,740,276
2 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8	10,601,030	9,956,030
(ii) Other Financial Liabilities	9	6,200	6,200
3 Current Liabilities			
(a) Other Liabilities	10	168,180	102,920
		3,750,330	**3,812,874**

Notes Forming Part of the Financial Statements 1 & 2

As per our report of even Date
For: P.JASANI & ASSOCIATES
Chartered Accountants
FRN # 116628W

M/s. P. JASANI AND ASSOCIATES MUMBAI-4 Chartered Accountants

DYNAMIC MICROSTEPPERS LTD. MUMBAI

P. R. Jasani
Partner
M.No. : 032477

Place : Mumbai
Date : 30.05.19

For and on Behalf of the Board of Directors

Director

CS

Director

Place : Mumbai
Date : 30.05.19

DYNAMIC MICROSTEPPERS LIMITED

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31ST MARCH, 2019

PARTICULARS	NOTE NO.	2018-2019 Rs.	2017-2018 Rs.
A INCOME			
Revenue from operations			-
Total Revenue		-	-
B EXPENDITURE			
Finance Costs	11	1033	1406
Other Expenses	12	771772	728740
Total Expenses		**772,805**	**730,146**
Profit / (Loss) Before Tax		**(772,805)**	**(730,146)**
Tax expenses			
(a) Current Tax		-	-
Profit / (Loss) for the year (after tax)		**(772,805)**	**(730,146)**
Earning Per Share (Of ` 10/- Each) :			
(a) Basic		**-0.22**	**-0.21**
(b) Diluted		**-0.22**	**-0.21**
Notes Forming Part of the Financial Statements	1 & 2		

As per our report of even Date
For: P.JASANI & ASSOCIATES
Chartered Accountants
FRN # 116628W

P. R. Jasani
Partner
M.No. : 032477

M/s. P. JASANI AND ASSOCIATES MUMBAI-4 Chartered Accountants

DYNAMIC MICROSTEPPERS LTD. MUMBAI

Place : Mumbai
Date : 30.05.19

For and on Behalf of the Board of Directors

AS Director

CS Director

Place : Mumbai
Date : 30.05.19

NOTES TO THE FINANCIAL STATEMENTS:-

1. **Corporate Information** –

The Company has been formed in the year 1985 with key objective of manufacturing of Quartz Clocks and other ancillary products of horology industry. The group was pioneer in the Horology Industry. The Company had earned a reputation for quality Clocks . At present there are no operations carried out by the Company .

2. **Significant Accounting Policies –**

(a) Basis of Preparation

The financial statements of the Company have been prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards notified under Section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 2013 ("the 2013 Act").

(b) Use of Estimates –

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected

(c) Revenue Recognition –

All Income and expenses are accounted on accrual basis.

(d) Depreciation and Amortization –

Depreciation is not provided for the year due to the fact that the assets were not utilized because there was no manufacturing activities carried out.

(e) Fixed Assets –

Fixed assets are stated at cost of acquisition or construction less accumulated Depreciation / amortization and accumulated impairment losses, if any.

(f) Impairment of Assets:

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

M/s. P. JASANI AND ASSOCIATES MUMBAI-4 Chartered Accountants

An impairment loss is charged to Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount

(g) Inventories –

There are no inventories held by the company.

(h) Foreign Currency Transactions –

There was no foreign currency transactions during the year.

(i) Employee Benefits –

There were no employees with the company during the year.

As per our report of even date

For : P. JASANI & ASSOCIATES
[Chartered Accountants]
FRN:-116628W

P. R. JASANI (Partner)
Mem. No. 032477

Place : MUMBAI
Date :30.05.19

M/s. P. JASANI AND ASSOCIATES MUMBAI-4 Chartered Accountants

DYNAMIC MICROSTEPPERS LTD. MUMBAI

For Dynamic Microsteppers Limited

Director

Director

Place : MUMBAI
Date : 30.05.19

NOTE :3

PROPERTY, PLANT & EQUIPMENT

Descriptions	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	Up to 01.04.2018	Depreciation for the Year	Deductions	As at 31.03.2019	WDV As at 31.03.2019	WDV As at 31.03.2018
Factory Premises	3,052,168	-	-	3,052,168	-	-	-	-	3,052,168	3,052,168
Lease Hold land	150,086	-	-	150,086	-	-	-	-	150,086	150,086
Free hold Land	513,810	-	-	513,810	-	-	-	-	513,810	513,810
Total Current Year	3,716,064	-	-	3,716,064	-	-	-	-	3,716,064	3,716,064
Total Previous Year	3,716,064			3,716,064					3,716,064	-

(No manufacturing activity was carried out during the year hence Depreciation has not been provided on Facory Premises)

M/s. P. JASANI AND ASSOCIATES ★ Chartered Accountants ★ MUMBAI-4

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019

	2018-2019 Rs.	2017-2018 Rs.
NOTE : 4		
OTHER ASSETS		
Balance with Government Authorities(TDS)	7,073	7,073
	7,073	**7,073**
NOTE : 5		
CASH AND CASH EQUIVALENTS		
(a) Cash in Hand	12,382	12,838
(b) Balances With Banks (In Current Accounts)	14,811	76,899
	27,193	**89,737**

	AS AT 31 MARCH 2019 Rs.	AS AT 31 MARCH 2018 Rs.
NOTE : 6		
SHARE CAPITAL		
(a) Authorised Capital :		
5,000,000 Equity shares of ` 10/- each.	50,000,000	50,000,000
(b) Issued, Subscribed and Paid up Capital :		
3,448,800 Equity shares of ` 10/- each.	34,488,000	34,488,000
	34,488,000	**34,488,000**

6.1 The Reconciliation of the number of shares outstanding and value there of as at March 31st 2019 is set out below.

	As at March 31,2019		As at March, 2018	
	Number	Amount	Number	Amount
At the beginning of the year	3,448,800	34,488,000	3,448,800	34,488,000
Less - changes during the year	-	-	-	-
At the end of he year	**3,448,800**	**34,488,000**	**3,448,800**	**34,488,000**

6.2 **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 the Equity Shares is entitled to one Vote per Share. The Company declares and pays Dividend in Indian Rupees The Board of Directors do not propose to distribute any dividend for this year.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

6.3 Shareholders holding more than 5% of the Equity Shares at the end of the year

Name of the Shareholders	AS AT 31ST MARCH 2019		AS AT 31ST MARCH 2018	
	Number of Shares Held	% holding in that Class of Shares	Number of Shares Held	% holding in that Class of Shares
Nayan J. Vikamsey	257,700	7.47	257,700	7.47
Pushpaben S. Shah	237,700	6.89	237,700	6.89

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

M/s. P. JASANI AND ASSOCIATES ★ Chartered Accountants ★ MUMBAI-4

	2018-2019 Rs.	2017-2018 Rs.
NOTE :7		
OTHER EQUITY		
(a) Securities Premium	27,897,000	27,897,000
(b) General Reserve	1,261,500	1,261,500
(c) Share Forefeiture Reserve	743,500	743,500
(d) Deficit in the Statement of Profit & Loss Account		
Opening Balance	(70,642,275)	(69,912,129)
Add : Profit/(Loss) for the year	(772,805)	(730,146)
Less : Deletions	-	-
Closing Balance	(71,415,080)	(70,642,275)
	-41,513,080	**-40,740,276**
NOTE :8		
BORROWINGS		
(a) Unsecured Loans & Advances from Related Parties (Refer Note 14.1)	10,601,030	9,956,030
	10,601,030	**9,956,030**
NOTE :9		
OTHER FINANCIAL LIABILITIES		
(a) Others	6,200	6,200
	6,200	**6,200**
NOTE : 10		
OTHER LIABILITIES		
(a) Government Dues	2,450	2,247
(b) Audit Fees Payable	21,600	44,460
(c) Others	144,130	56,213
	168,180	**102,920**
NOTE : 11		
FINANCE COSTS		
Bank Charges & Commisions	1,033	1,406
	1,033	**1,406**
NOTE : 12		
OTHER EXPENSES		
Advertisement	60,400	57,545
Annual Listing Fees	311,520	303,750
Audit Fees	23,600	23,600
Insurance Charges	3,540	3,450
Interest on TDS	-	3,160
Late Filing Fees for TDS Return	-	17,510
Courier & Printing & Stationery Charges	735	270
Legal & Consultation Charges	309,882	301,550
Office Expenses	456	205
Property Tax - Dhule (FY 18-19)	4,437	-
ROC Expenses / Statutory Compliance Expenses	600	2,700
Water Chgs - Dhule (FY 18-19)	1,690	-
Web Designing Charges	15,000	15,000
Prior Period Expenses:		
(a) Property Tax - Dhule (upto Mar 18)	35,326	-
(b) Water Chgs - Dhule (upto Mar 18)	4,586	-
	771,772	**728,740**

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

NOTE :13
DISCLOSURES

13.1 Related Party Disclosure

(a) Details of Related Parties:-

Names of Related Parties	**Description of Relationship**
Ashwin Shantilal Shah	Director
Chetas Ashwin Shah	Director
Kairavi Mukesh Naik	Director
Vishal Sundeep Talpade	Director
Harshad Shantilal Shah	Brother of Director

Note: Related parties have been identified by the Management.

(b) Details of Related Party Transactions during the year ended 31st March, 2019 and balances outstanding as at 31st March, 2019.

	2018 - 2019 Rs.	**2017 - 2018 Rs.**
Type of Transaction		
Loan Taken	645,000	695,000

	As At 31.03.2019 Rs.	**As At 31.03.2018 Rs.**
(c) Balances Outstanding at the End of the Year		
(i) Borrowings		
Loans Taken	10,601,030	9,956,030
	10,601,030	**9,956,030**

13.2 Earning Per Share

(a) Basic		
Loss after Tax	-772,805	-730,146
Weighted Average number of Shares Outstanding	3,448,800	3,448,800
Basic EPS	-0.22	-0.21
(b) Diluted		
Loss after Tax	-772,805	-730,146
Weighted Average number of Shares Outstanding	3,448,800	3,448,800
Diluted EPS	-0.22	-0.21

As per our report of even Date
For: P.JASANI & ASSOCIATES
Chartered Accountants
FRN # 116628W

P. R. Jasani
Partner
M.No. : 032477

Place : Mumbai
Date : 30.05.19

M/s. P. JASANI AND ASSOCIATES
MUMBAI-4
Chartered Accountants

DYNAMIC MICROSTEPPERS LTD.
MUMBAI

For and on Behalf of the Board of Directors

AS
CS

Director Director

Place : Mumbai
Date : 30.05.19

DYNAMIC MICROSTEPPERS LIMITED

GROUPING OF BALANCE SHEET AS AT 31ST MARCH 2019

	As At 31.03.2019 Rs.	As At 31.03.2018 Rs.
BORROWINGS		
Ashwin Shah	9,401,030	8,756,030
Harshad Shah	1,200,000	1,200,000
	10,601,030	**9,956,030**
OTHER FINANCIAL LIABILITIES		
Income Tax Provision	6,200	6,200
	6,200	**6,200**
OTHER LIABILITIES		
Central Depository Services (India) Limited	5,900	-
Link Intime India Pvt Ltd	21,988	4,860
P.Jasani & Associates	21,600	44,460
Piyush Jasani & Co	-	10,800
Rathi & Associates	81,000	16,200
TDS on Profesional Fees	2,450	2,000
TDS on Contractors	-	247
V.S.Advertising & Mailing Solutions	35,243	24,353
	168,180	**102,920**
OTHER ASSETS		
Balance with Government Authorities(TDS)	7,073	7,073
	7,073	**7,073**
CASH AND CASH EQUIVALENTS		
Cash on Hand	12,382	12,838
Axis Bank	4,720	66,808
Ratnakar Bank	10,091	10,091
	27,193	**89,737**

M/s. P. JASANI AND ASSOCIATES ★ Chartered Accountants ★ MUMBAI-4

DYNAMIC MICROSTEPPERS LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED ON 31ST MARCH, 2019

	PARTICULARS	As on 31.03.2019	As on 31.03.2018
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit Before Tax	-772,805	-730,146
	Adjustments for Changes in the Working Capital		
	(Increase) / Decrease in Prepaid Expenses	-	1732
	Increase / (Decrease) in Other Current Liabilities	65,260	50,678
	Net cash from Operating activities	**-707,545**	**-677,736**
B	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from Long-term Borrowings	645000	695000
			-
	Net cash from Financing activities	**645,000**	**695,000**
	NET INCREASE/(DECREASE IN CASH & CASH EQUIVALENT (A + B)	-62,545	17,264
	Cash and Cash Equivalents at beginning of the period	89,737	72,474
	Cash and Cash Equivalents at end of the period - (C) + (D)	**27,193**	**89,737**

Significant Accounting Policies
The Notes are an Integral part of Financial Statements. 1 & 2

As per our report of even Date
For: P.JASANI & ASSOCIATES
Chartered Accountants
FRN # 116628W

P. R. Jasani
Partner
M.No. : 32477

Place : Mumbai
Date : 30.05.19

M/s. P. JASANI AND ASSOCIATES MUMBAI-4 Chartered Accountants

DYNAMIC MICROSTEPPERS LTD. MUMBAI

For and on Behalf of the Board of Directors

AS

Director

CS

Director

Place : Mumbai
Date : 30.05.19