

M/S DINA IRON & STEEL LIMITED

Regd. Office: Abdul Rehmanpur Road, Patna – 800 009

NOTICE

NOTICE is hereby given that the 21st ANNUAL GENERAL MEETING of the members of M/S DINA IRON & STEEL LIMITED will be held on Monday, 16th September, 2013 at 11.00 am at the registered office of the company to transact the following business:

AS ORDINARY BUSINESS:

- 1). To receive, consider & adopt the audited Balance Sheet as at 31st March, 2013, the Profit and Loss account for the year ended 31st March, 2013 and the report of the Board of Directors and the Auditors thereon.
- 2). To appoint a Director in place of Sanjay Kumar Bhartiya, who retires from office by rotation and being eligible, offers himself for re-appointment.
- 3). To appoint M/s SUBODH GOEL & CO., Chartered Accountants, the retiring Auditor as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting, till the conclusion of the next Annual General Meeting and to authorize board of directors to approve/determine their remuneration

By order of the Board of Directors



(SANJAY KUMAR BHARTIYA)

Managing Director

Date: 10TH August, 2013

Place: Patna

Notes:

1. A member of the company who is entitled to attend and vote at the said meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. Instrument(s) appointing proxies, if any, in order to be effective, must be received at the Registered Office of the company not less than forty eight hours before the commencement of the meeting.
3. The Register of members and the share transfer books of the company will remain closed from 8th September 2013 to 15th September 2013 (both day inclusive).
4. Members are requested to kindly notify the change in address, if any to shares department of the company, located at Abdul Rahmanpur Road, Patna -800 009.
5. Members are requested to quote their Folio Numbers in all their correspondence.
6. Members desirous of having any information regarding accounts are requested to address their queries to the Managing Director at the Registered Office of the company, at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
7. Members are requested to bring their copies of the Annual Report to the meeting.
8. Members / Proxies are requested to bring with them the attendance slip and hand over at the entrance duly signed by them.

DIRECTOR'S REPORT

To,
The Members of
DINA IRON & STEEL LIMITED, PATNA

Dear Sirs,

Your Directors have pleasure in presenting their 21st annual report with the audited statement of accounts for the year ended 31st March, 2013. The working results of the company are set out hereunder: -

1. FINANCIAL RESULTS :

Description	For the year ended 31-03-2013	For the year ended 31-03-2012
Profit before interest and Depreciation	35,916,109.18	40,052,582.44
<u>Less :</u>		
Interest	20,091,775.33	20,147,131.61
Depreciation	7,412,076.00	8,074,523.24
Profit before tax	8,412,257.85	11,830,927.59
Income Tax for earlier year	(187,572.00)	70,115.00
<u>Provision for tax</u>		
Current Tax	2,999,500.00	4,457,100.00
Deferred Tax	(722,604.00)	(431,205.00)
Profit for the year	6,322,933.85	7,734,917.59

2. PERFORMANCE :

The company has earned Net Profit of Rs. 63,22,933.85 after tax during the year. The board expects better results in the coming year.

3. LISTING OF EQUITY SHARES

The company has moved the Delhi, Calcutta and Magadh Stock Exchange for delisting of its equity shares. At present the company's shares listed on BSE only, in accordance with the relevant listing agreements.

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4. **DIRECTORS:**

Sanjay Kumar Bhartiya, Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

5. **DIRECTOR'S RESPONSIBILITY:**

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

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed ;
- b) Appropriate accounting policies have been selected and applied consistently and the Board has 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 March 31, 2013 and of the Profit of the Company for the year ended on that date.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The annual accounts have been prepared on a going concern basis.

6. **PARTICULARS OF EMPLOYEES**

There is no employee in respect of whom particulars pursuant to section 217 (2A) of Companies Act, 1956 are required to be given.

7. **LABOUR RELATION :**

Your Directors have pleasure to inform you that the management has good relation with the laboures working at the company.

8. **STATUTORY ANNUAL AUDIT REPORT :**

The Auditors notes on the accounts have been extensively dealt with and since they are self explanatory, they are not commented upon

9. **AUDITORS :**

To appoint M/s SUBODH GOEL & CO., Chartered Accountants and fix their remuneration, the retiring Auditors as Statutory Auditors of the Company.

10. **RAW MATERIAL :**

Principal Raw Material of the Company is Sponge Iron which is easily available to the Company from all around Bihar and neighboring states on a short call.

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11. PARTICULARS OF CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO.

As required by Section 217 (1)(e) of the Companies Act, 1956 read with companies (disclosure of particulars in the report of Board of the Directors) Rules, 1988 we report that during the year there has been no foreign exchange earnings and as well as no outgo. A statement regarding particulars of conservation of energy is presented as under:-

A. CONSERVATION OF ENERGY:

FORM - A

Form of disclosure of particulars with respect to conservation of energy.

	<u>Current Year</u> 2012-13	<u>Previous Year</u> 2011-12
1). <u>Power & Fuel consumption :</u>		
a). <u>Electricity (Purchased)</u>		
Unit (KWH)	43325880	37720730
Total Amount (Rs. In lacs)	2108.99	1814.54
Average Rate /per unit	4.87	4.81
b). <u>Furnace Oil (Consumed)</u>		
Unit (Ltr.)	48,065.000	8,730.000
Total Amount (Rs. In lacs)	18.09	2.81
Average Rate /(Ltr.)	37.64	32.14
c). <u>Coal</u>		
Quantity (MT)	640.500	795.400
Total Amount (Rs. In lacs)	25.89	43.91
Average Rate /(MT)	0.04	0.06

Consumption per Ton of Production

The company's products comprise a wide range of semi finished and finished long steel products. The product mix varies each year and the production process involves several operations in different divisions. It is therefore not feasible to apportion the cost and consumption per unit of production.

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B. TECHNOLOGY ABSORPTION :

As the Directors of the Company are themselves capable in the line of activity the company undertakes hence there is as such no need for the technology absorption.

12. INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

There is no employee in receipt of remuneration which requires disclosure under section 217 (2A) of the Companies Act, 1956 & rules framed there under.

13. COMPLIANCE CERTIFICATE

As required under section 383(A) (I) of the Companies Act, 1956 the compliance certificate as per the provisions of companies Act, 1956, in prescribed form received from a Company Secretary in whole time practice is appended hereto and forms part of this report.

14. CORPORATE GOVERNANCE

Separate note on "Corporate Governance" and "Management Discussion and Analysis" is annexed herewith. The Auditor's Certificate on compliance with the condition of Corporate Governance is also annexed herewith.

15. ACKNOWLEDGEMENT :

Your directors take this opportunity to offer their sincere thanks to the various departments of the Central & State Govt., Banks, customers & Suppliers for their continued valuable assistance & support. Your directors also wish to place on record their appreciation for the dedicated efforts by officers, staff and workers of the company at all levels.

For and On behalf of the Board of
Dina Iron & Steel Limited



SANJAY KUMAR BHARTIYA

[CHAIRMAN]

Place: - Patna

Date: - 10-08-2013.

REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY OF THE COMPANY

Company's Vision

The company's vision is to become:

- The preferred partner to the steel industry providing the greatest value.
- A highly respected industry leader with which all stakeholders are proud to be associated with.

Business Strategy

The company's business strategy is to improve its customer's business performance:

- By being the partner providing the greatest value.
- Achieved through a solutions partnering approach delivering improved quality.

Company Value

All Employees are committed to living the company's value:

- Customer always first
- High performance
- Employee Focus
- Responsiveness
- Team working
- Empowerment
- Lead by example
- Deliver the promise
- Continuous Improvement
- Safety, Health and the Environment

Integrity of Financial Reporting

The company ensures that adequate controls are in place to provide accurate and timely financial statements. The internal audit process is supervised by the audit committee of the board.

i Disclosure of information to investors

DINA IRON AND STEEL LIMITED ensures the timely disclosure of all material information in compliance with applicable laws.

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III. Disclosure of Directors interests in Transactions with the Company

None of the non executive directors had any pecuniary relationship or transaction with the company pursuant to the provision of Clause 49 VII (D) of the Listing Agreement.

AUDIT COMMITTEE

I. Term of Reference

The Audit committee of the company was constituted after being mandated with the same terms of reference specified in Clause 49 of the Listing Agreement with the stock exchanges as well as those stipulated by the SEBI guidelines. The current terms of reference also fully conform to the requirement of Section 292 A of the Companies Act.

II. Composition

The audit committee comprises 3 Directors – Mr. SANJAY KUMAR BHARTIYA, Mr. PRASHANT BHARTIYA and Mrs. RITU BHARTIYA.

III. Attendance

Four meetings were held during the year and were attended by all the members of the committee.

COMPENSATION COMMITTEE

I. Term of Reference

The compensation committee reviews and recommends the remuneration and performance linked bonuses of executive directors and the payment of commission to non executive directors within the limits approved by the shareholders. Such recommendations are based on the overall performance and financial result of the company during the financial year and on an assessment of the personal contribution and performance of the individuals.

II. Composition

The committee comprises 3 Directors – Mr. SANJAY KUMAR BHARTIYA, Mr. PRASHANT BHARTIYA and Mrs. RITU BHARTIYA.

III. Attendance

The committee met once during the year and was attended by all the directors.

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SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE**I. Term of Reference**

In order to give the appropriate level of focus to shareholder and investor related matter a Shareholder / Investor Grievance committee was formed. The committee primarily focuses on strengthening investor relations and ensuring the rapid resolution of any shareholder or investor concern.

II. Composition

The committee comprises 3 Directors – Mr. SANJAY KUMAR BHARTIYA, Mr. PRASHANT BHARTIYA and Mrs. RITU BHARTIYA.

III. Attendance

Four meetings were held during the year and were attended by all the members of the committee.

GENERAL BODY MEETING

Location and time of last three AGMs:

Year	Venue	Date
2011-12	Regd Office :	10-08-2012
2010-11	at Abdul Rehmanpur Road,	20-08-2011
2009-10	Didarganj, Patnacity, Patna- 800008	23-08-2010

Postal Ballot:

No resolution was passed last year by Postal Ballot. No resolution is proposed to be passed at the ensuing AGM by Postal Ballot.

DISCLOSURE**I. Related Party Transaction**

There have been no materially significant related party transactions with company's promoters, directors, management, or their relative which may have a Potential conflict with the interest of the company. Members may refer to the notes to the account for details of other related party transaction.

II. Compliance By The Company

The Company has complied with the requirements of regulatory authorities on matters related to capital markets and no penalties/strictures have been imposed against the company by stock exchange or SEBI or any other regulatory authority on any matter related to capital market during the last three years.

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III. Accounting Standards

The company has rigorously followed the accounting standards laid down by the Institute of Chartered Accountants of India.

IV. Risk Management

The audit committee regularly reviews the risk management strategy of the company to ensure the effectiveness of risk management policies and procedures.

V. CEO/ CFO Certificate

The managing director of the company has furnished the requisite certificate to the board of director under Clause 49 VII of the Listing Agreement.

VI. Disclosure from Senior Management

Disclosures from senior management are obtained quarterly to the effect that they have not entered into any material, financial and commercial transactions, where they have personnel interest that may have potential conflict with the interest of the company at large.

VII. Code of Conduct for Directors and Senior Management

The Board has laid down Code of Conduct for Executive Directors, Non-Executive Directors and senior management of the company. The code of conduct as applicable to them has been circulated to all the members of the Board and senior management and the compliance of the same has been affirmed by them. A declaration signed by Managing Director is given at the end of this Report.

VIII. Compliance Reports

The Board reviews the compliance reports of all laws applicable to the Company on quarterly basis. The Managing Director and submit a 'Compliance Certificate' to the Board every quarter based on the compliance certificates received from the function heads of the company.

IX. Management Discussion and Analysis Report

This report forms part of this Annual Report.

On behalf of the Board
For DINA IRON AND STEEL LIMITED

Place: PATNA

Dated: 10-08-2013



Managing Director

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

Pursuant to Clause 49 I (D) of the Listing Agreement, I hereby declare that the company has adopted a code of conduct for director and senior management personnel of the company.

A statement of allegiance to the code of conduct has been obtained from all the senior management personnel and functional heads, and such statement of allegiance will be obtained on an annual basis from all the directors, senior management personnel and the functional heads.

For DINA IRON AND STEEL LTD.

Place: PATNA

Dated: 10-08-2013



Managing Director

CERTIFICATE

To the members of **DINA IRON AND STEEL LIMITED,**

We have examined the compliance of conditions of corporate Governance by DINA IRON AND STEEL LIMITED, PATNA for the year ended on 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

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

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

Place: PATNA
Dated: 10-08-2013



For **SUBODH GOEL & CO.**

Chartered Accountants

(Subodh Kumar Goel)

Partner

M. No.: 074835

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussions and analysis should be read in conjunction with the Company's financial statements included therein and the notes thereto. The financial statements have been prepared in compliance with the requirements of the companies Act, 1956. The Company's management accepts responsibility for the integrity and objectivity of these financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present the Company's state of affairs and profits for the year. Investors are cautioned that this discussion contains forward looking statements that include risk and uncertainties.

BUSINESS STRATEGY

The company believes that the steel industry is a global industry and its strategic vision is to leverage the strong position it has built in the market. The Company's strategies to achieve this goal are as follows:

1. Continue to strengthen its expertise.
2. Strong focus on existing client relationships
3. Expand into new markets in the territory.
4. Maintain focus on process excellence
5. Invest in middle management
6. Continue to invest on technology platforms.

HUMAN RESOURCE

The Company is committed to attaining organizational excellence by developing and inspiring the true potential of human capital and providing opportunities for growth, innovation and enrichment. The emphasis is on creating a value based organization by inculcating a culture of learning, creativity and aligning business priorities with the aspirations of its people. The Company's corporate values of respect, teamwork, people, centricity, transparency and fun are woven into every aspect of human resource management.

The focus during the year was not only on integrating human capital initiatives across the organization but also on creating motivated human capital in each business vertical. The Company continued to strengthen its human resource practices and systems along with developing staff excellence through training and coaching.

OPPORTUNITIES AND THREATS

The Industry Structure, Development and outlook section has described the potential of the steel industry. Key growth drivers and opportunities for the Company for profitable growth include:

1. Cost pressure in current economic environment
2. Strong growth in global steel industry with continuing demand of its products.



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3. Increasing customer focus on servicing customers, creating new and innovative market processes to reduce time-to-market their products.
4. Increasing focus on accuracy and timeliness of processing thereby reducing transaction costs.
5. Clients are more comfortable partnering with large players with scale and operational expertise with a continuous focus on quality of service and product delivery, ability to manage aggressive growth and stringent security norms.

COMPETITION

The market for Steel products is rapidly evolving and is highly competitive. The Company expects that the competition it faces will continue to intensify. The company faces competition from:

1. Offshore steel providers in India
2. Steel producers competing in the Indian Domestic Market
3. Companies, including some of its clients, that choose to perform their own processes internally through captive producing units established for this purpose.

RISK MANAGEMENT REPORT

This report sets out the enterprise-wide risk management that is practiced by the Company. Readers are cautioned that the risks outlined here are not exhaustive and are for information purposes only. This report contains statements which may be forward-looking in nature. The business model is subject to uncertainties that could cause actual results to differ materially from those reflected in these forward looking statements. The unexpected macro economic developments in this fiscal have certainly impacted the company's ability to sustain the growth momentum as its business depends largely on the performance of its clients.

HIGHLY COMPETITIVE ENVIRONMENT

The market for steel products is rapidly evolving and is highly competitive. The company expects that the competition it faces will continue to intensify. The Company understands that it needs to retain and grow its leadership position in this industry and to maintain this competitive position, the company understands that it needs to do the best in the category of operation, performance and quality improvement.

**On behalf of the Board
For DINA IRON AND STEEL LIMITED**

**Place: PATNA
Dated: 10-08-2013**



Mr. Shakti
Managing Director

Auditor's Report

To The Members of M/s Dina Iron and Steels Limited

REPORT ON THE FINANCIAL STATEMENTS:

We have audited the attached Balance Sheet of M/s Dina Iron & Steels Limited ("the company") as at 31st March' 2013 and the Statement of Profit & Loss and Cash flow statement for the year ended on that date and a summary of significant accounting policies and other explanatory information for the period ended on that date annexed thereto.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these 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 Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In the case of the Balance Sheet, of the State of affairs of the Company as at 31st March' 2013;
- ii. In the case of the Statement of Profit & Loss, of the Profit of the company for the year ended on that date and
- iii. In the case of the Cash Flow Statement of the Cash Flows for the year ended on that date.



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ii. Listing of Shares

The company has moved the Delhi, Calcutta and Magadh Stock Exchange for delisting of its equity shares. At present the company's shares listed on BSE only, in accordance with the relevant listing agreements.

iii Investor Service

Performance measures have been established in respect of all aspect of investor service. Results are monitored regularly and improvement made wherever required.

iv Performance Management

DINA IRON AND STEEL LIMITED places importance on the management of performance, the purpose being to support all employees to perform to peak potential. The process includes the regular and transparent review of the performance of all employees against agreed objective. Employee's remuneration is strongly linked to individual and company performance.

BOARD OF DIRECTORS

Nature and Role of the Board of Directors

The company's board of directors comprises individuals with considerable experience and expertise across a range of discipline including general management, business strategy, finance and accounting and law. All board members have a significant breadth of business experience.

At present the Board of Directors, consist of Three (3) directors as on March'2013. Out of which one Mr. Sanjay Kumar Bhartiya is a *Managing Director* of the company and another two Mr. Prashant Bhartiya and Mrs. Ritu Bhartiya are *Directors* of the company. All statutory and material information was made available to the Board of Directors to ensure adequate disclosures and transparent decision making.

I. Board meting & Attendance of Directors

The Board of Directors duly met 8 (eight) times on 13.04.2012, 15.06.2012, 27.06.2012, 20.07.2012, 10.08.2012, 08.11.2012, 02.01.2013, and 04.03.2013 in respect of which proper notices have been given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. All the directors were present during all the board meetings and therefore no leave of absence was required.

II. Board and Committee Memberships

As mandated by clause 49, none of directors are member of more than ten board level committees nor are they chairman of more than five committees in which they are members.

ANNEXURE A
[See paragraph 2]

Details relating to the computation of book profits for the purpose of section 115JB of the Income Tax Act, 1961

1	Name of the assessee	DINA IRON & STEEL LIMITED
2	Particulars of address	Regd. Office; Abdul Rehmanpur Road, Didarganj, Patna City, PATNA - 800 009
3	Permanent Account Number	AAACD8205B
4	Assessment year	2013-14
5	Total income of the company under the Income-tax Act	9,707,100.00
6	Income -tax payable on total income	2,912,130.00
7	Whether Profit and Loss Account is prepared in accordance with the provisions of Parts II and III of Schedule VI to the Companies Act, 1956(1 of 1956)	Yes
8	Whether the Profit and Loss Account referred to in column 7 above has followed the same accounting policies, accounting standards for preparing the profit and loss account and the same method of rates for calculating depreciation as have been adopted for preparing accounts laid before the company at its annual general body meeting? If not, the extent and nature of variation be specified	Yes
9	Net Profit according to Profit and Loss Account referred to in (7) above	6,322,933.85
10	Amount of net profit as shown in Profit and Loss Account as increased by the amounts referred to in clauses(a) to (f) of Explanation of sub-section(2) of this section(file working seperately, where required)	9,501,400.00
11	The amount as referred to in item 10 as reduced by the amounts referred to in clauses(i) to (vii) of Explanation of sub-section(2) of this section(file working seperately,where required)	7,412,076.00
12	Book profit as computed according to Explanation given in sub-section(2)	8,412,257.85
13	18.5% of Book Profit as computed in 12 above	1,556,268.00
14	In case income-tax payable by the company referred to at Sl.No.6 is less than 18.5% of its book profits shown in column 12, the amount of income-tax payable by the company would be 18.5% of column 12, i.e. as per(13).	-



DINA IRON AND STEELS LIMITED

Referred to paragraph as stated above of our report of even date.

ANNEXURE-A

Further to our comments in the annexure referred to above, we report that: -

- (i)
 - (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 and material discrepancies noticed on such verification have been properly dealt with in the books of account.
 - (c) The company has not disposed substantial part of fixed assets during the year.
- (ii)
 - (a) The inventory has been physically verified by the management at regular interval during the year.
 - (b) Procedures adopted for the physical verification of inventory by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The company is maintaining proper records of inventory and material discrepancies noticed on physical verification have been properly dealt with in the books of account.
- (iii)
 - (a) The Company has granted loans to companies/firm/or other parties, covered in the register maintained under Companies Act, 1956. Amount of loan granted amounts to Rs. 1.76 Lacs and having year end balance of Rs 9.77 Lacs
 - (b) The rate of interest and the terms and conditions on which loan is granted cannot be prima-facie said to be prejudicial to the interest of the company.
 - (c) The Company has been regular in receiving payment of principle and the interest amount.
 - (d) The company is not in need to take any steps for the recovery of the principal and interest amount, if overdue amount is more than Rs. 1,00,000.00.
 - (e) The Company has taken loan from companies / firm / other parties, covered in the register maintained under Companies Act, 1956. Maximum amount of loan taken amounts to Rs.244.03 Lacs and having year end balance of Rs 803.04 Lacs
 - (f) The rate of interest and the terms and condition on which the loans were taken from the companies, firm or other parties listed in the register covered under Companies Act,1956, is not prima-facie prejudicial to the interest of the company.
 - (g) The Company has been regular in making payment of principle and the interest amount.
- (iv) There is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services according to the explanation and information given to us. No continuing failure to correct major weaknesses in internal control system, were noticed while conducting the audit.



- (v) (a) There had no been no contracts or any arrangement entered into by the company referred to in section 301 requiring to be entered in the register.
- (b) The company had not entered into any transaction in pursuance of the contract or arrangement as referred in section 301 thus there is no price which needs to be reasonable.
- (vi) The company has not accepted any deposits from the public which is ought to be covered under the Section 58A and 58AA and other relevant provisions of Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) The company has an internal audit system commensurate with its size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to material, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima –facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax Wealth Tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities.
- (b) There are no dues in respect of Sales Tax / Income Tax / Custom Duty / Wealth Tax / Excise Duty / Cess which have not been deposited on account of any dispute.
- (x) The company does not have any accumulated losses. Further it has not incurred cash losses in the last financial year and in the financial year immediately preceding the last financial year.
- (xi) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi mutual benefit fund/ society. Hence the provisions of the clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company
- (xiv) The company is not engaged in trading in shares securities, debentures and other investments. Thus the provision of the clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company
- (xv) The company has not given any guarantee for loans undertaken by others from bank or financial institutions.
- (xvi) The term loan has been applied for the purpose for which it was obtained by the company.



- (xvii) On overall examination of the balance sheet and information and explanation given to us, we state that there had been no funds raised for short term purpose been utilized for the long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The company has not issued any debentures.
- (xx) The company has not raised any funds through public issue during the year.
- (xxi) There is no fraud on or by the company that has been noticed or reported during the year.



For Subodh Goel & Co.
Chartered Accountants

(Signature)
(SUBODH KUMAR GOEL)

M.NO.-74835

Partner

Firm Reg. No- 006103C

Place: Patna

Date: 10-08-2013

1. As required by Companies Auditor's Report Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the paragraph 4 and 5 of said order

Report on Other Legal and Regulatory Requirements:-

2. As required by section 227(3) of the Act, we report that:
 1. 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.
 2. In our opinion proper books of account as required by law have been kept by the company at the head office and its branch so far as appears from our examination of those books.
 3. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956.
 4. The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account maintained at the head office and its branch.
 5. On the basis of written representation received from the Directors of the Company as on 31st March '2013 and taken on record by the board we report that none of the Directors is disqualified as on 31st March '2013 from being appointed in terms of section 274 (1) (g) of the Companies Act, 1956.
 6. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Patna

Date: 10-08-2013



For **Subodh Goel & Co.**

Chartered Accountants

(**SUBODH KUMAR GOEL**)

M.NO.-74835

Partner

Firm Reg. No- 006103C

DINA IRON & STEEL LIMITED, PATNA

Abdul Rehmanpur Road, Didarganj, Patnacity, PATNA - 800 009

BALANCE SHEET AS ON 31ST MARCH, 2013

PARTICULARS	Note No.	As at 31/03/13		As at 31/03/12	
		Rs.	Rs.	Rs.	Rs.
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share Capital	1	67,298,250.00		67,298,250.00	
(b) Reserves and Surplus	2	65,625,368.88		59,302,435.03	
(c) Money received against share warrants			132,923,618.88		126,600,685.03
2. Share application money pending allotment (To the extent not refundable)					
3. Non-current liabilities					
(a) Long-term borrowings	3	80,304,108.84		58,900,174.20	
(b) Deferred Tax liabilities (Net)	4	2,825,895.00		3,548,499.00	
(c) Other Long term liabilities					
(d) Long-term Provisions			83,130,003.84		62,448,673.20
4. Current Liabilities					
(a) Short term borrowings	5	166,698,477.46		117,269,736.08	
(b) Trade payables	6	36,034,115.11		9,914,168.38	
(c) Other current liabilities	7	37,292,293.25		35,913,469.06	
(d) Short term provisions	8	18,129,560.00		8,919,264.00	
			258,154,445.82		172,016,637.52
TOTAL			474,208,068.54		361,065,995.75
II ASSETS					
1. Non-current assets					
(a) Fixed assets	9	52,859,396.49		59,507,286.48	
(i) Tangible assets					
(ii) Intangible assets					
(iii) Capital work-in-progress	9	29,296,532.60		29,296,532.60	
(iv) Intangible assets under development					
(b) Non-current investments	10	2,150,000.00		2,150,000.00	
(c) Deferred tax assets (net)					
(d) Long-term loans and advances	11	26,906,876.20		26,906,876.20	
(e) Other non-current assets	12	2,000,000.00		2,000,000.00	
			113,212,805.29		119,860,695.28
2. Current assets					
(a) Current investments					
(b) Inventories	13	144,064,149.87		66,123,956.45	
(c) Trade receivables	14	130,438,534.22		130,883,875.24	
(d) Cash and Bank Balances	15	40,849.04		599,770.24	
(e) Short-term loans and advances	16	86,402,495.12		38,010,003.54	
(f) Other current assets	17	49,235.00		5,587,695.00	
			360,995,263.25		241,205,300.47
TOTAL			474,208,068.54		361,065,995.75
Significant accounting policies and notes to accounts	26				

For and on behalf of the Board

M. S. Hartiya
(Director)

Place : Patna
Date : 10-08-2013

B. N. Singh
(Director)

As per our report of even date

For SUBODH GOEL & CO.
Chartered Accountants

Subodh Kumar Goel
(SUBODH KUMAR GOEL)
Partner
M. No. 074835



DINA IRON & STEEL LIMITED, PATNA

Abdul Rehmanpur Road, Didarganj, Patnacity, PATNA - 800 009

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2013

PARTICULARS	Note No.	As at 31/03/13		As at 31/03/12	
		Rs.	Rs.	Rs.	Rs.
I Revenue from operations:	18	976,449,783.45		809,636,707.54	
Less: Excise Duty		114,780,296.30	861,669,487.15	73,450,865.37	736,185,842.17
II Other Income	19		3,368,378.38		2,510,187.98
III Total Revenue (I + II)			865,037,865.53		738,696,030.15
IV Expenses	20	694,252,111.45		516,165,420.27	
Cost of Materials Consumed					
Purchases of Stock in Trade					
Changes in inventories of finished goods, work in progress and Stock-in-trade	21	(97,082,444.55)		(14,986,708.61)	
Employee benefits expense	22	4,969,587.46		5,306,827.16	
Finance Costs	23	20,091,775.33		20,147,131.61	
Depreciation and amortization expense	24	7,412,076.00		8,074,523.24	
Other expense	25	226,982,501.99		192,157,908.89	
Total Expense			856,625,607.68		726,865,102.56
Profit before exceptional and extraordinary items and tax (III-IV)			8,412,257.85		11,830,927.59
VI Exceptional Items					
VII Profit before extraordinary items and tax (V-VI)			8,412,257.85		11,830,927.59
VIII Extraordinary items					
IX Profit before tax (VII-VIII)			8,412,257.85		11,830,927.59
X Tax expense:				4,457,100.00	
(1) Current tax		2,999,500.00		70,115.00	
(2) Tax Liability for earlier years		(187,572.00)		(431,205.00)	
(2) Deferred tax		(722,604.00)			
Profit/(Loss) for the period from continuing operations (IX - X)			2,089,324.00		4,096,010.00
XII Profit/(Loss) for the period from discontinuing operations					
XIII Tax expense of discontinuing operations					
Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)					
XIV Profit/(Loss) for the period (XI + XIV)			6,322,933.85		7,734,917.59
XV Profit/(Loss) for the period (XI + XIV)					
XVI Earnings per equity share:				0.94	1.13
(1) Basic				0.94	1.13
(2) Diluted					
See accompanying notes to the financial statements	26				

For and on behalf of the Board

M. Hartono
(Director)

R. Singh
(Director)

As per our report of even date
For SUBODH GOEL & CO.
Chartered Accountants

(SUBODH KUMAR GOEL)
Partner
M. No. 074835



Place : Patna
Date : 10-08-2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013 (Pursuant to the Listing Agreements with Stock Exchange)				
	As on 31-03-2013		As on 31-03-2012	
	Rs. in Lacs		Rs. in Lacs	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX & EXTRAORDINARY EXPENSES		84.12		118.31
Adjustments to reconcile profit before tax to cash provided by operating activity	74.12		80.75	
Depreciation	(33.68)		(25.10)	
Interest and Dividend Income	200.92		201.47	
Interest paid	-		-	
Profit of sale of tangible assets	-		-	
Effect of exchange difference on translation of asset and liabilities	-		-	
Effect of exchange difference on translation of foreign currency of cash and cash equivalent	-	241.35	-	257.11
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES		325.48		375.42
Adjustments for:	4.45		38.61	
Trade Receivables	(1,207.94)		(255.38)	
Loans and advances and other asset	367.09	(836.40)	(51.52)	(268.30)
Liabilities and provisions		(510.92)		107.13
CASH GENERATED FROM OPERATIONS		(28.12)		(45.27)
Direct Taxes Paid		(539.04)		61.86
NET CASH GENERATED BY OPERATING ACTIVITY				
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment towards capital expenditure	(7.64)		(35.31)	
Investment in subsidiary	-		-	
Disposal of Fixed Asset	-		2.50	
Disposal of other investment	33.68		25.10	
Interest & dividend Received				
CASH FLOW FROM INVESTING ACTIVITY BEFORE EXCEPTIONAL ITEM		26.04		(7.71)
Dividend Income, net of tax				
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		26.04		(7.71)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Share Capital	708.33		136.37	
Increase (Decrease) in Term Loan/Working Capital	-		-	
Repayment of loan given to Subsidiary	-		-	
Dividend paid including residual dividend	-		-	
Dividend tax paid	(200.92)		(201.47)	
Interest Paid				
NET CASH FROM FINANCING ACTIVITIES		507.41		(65.11)
Effect of exchange difference on translation of foreign currency of cash and cash equivalent				
NET INCREASE IN CASH & CASH EQUIVALENTS		(5.59)		(10.96)
CASH & CASH EQUIVALENTS AS AT (Opening Balance)		6.00		16.96
CASH & CASH EQUIVALENTS AS AT (Closing Balance)		0.41		6.00

For SUBODH GOEL & CO.
Chartered Accountants

(Subodh Kumar Goel)
M.No. 74835
(Partner)



Place : Patna
Date : 10-08-2013

For and on behalf of the Board

[Signature]
[Director] [Director]

NOTES FORMING PART OF BALANCE SHEET

NOTE 'I'

Note 1 "A" SHARE CAPITAL

SHARE CAPITAL	As at 31 March 2013		As at 31 March 2012	
	Number	Amount	Number	Amount
Authorised Equity Shares of Rs. 10 each	9,500,000.00	95,000,000.00	9,500,000.00	95,000,000.00
Issued Equity Shares of Rs. 10 each	6,819,500.00	68,195,000.00	6,819,500.00	68,195,000.00
Subscribed & Paid up Equity Shares of Rs. 10 each fully paid	6,819,500.00	68,195,000.00	6,819,500.00	68,195,000.00
Less : Allotment Money Due		896,750.00		896,750.00
TOTAL	6,819,500.00	67,298,250.00	6,819,500.00	67,298,250.00

Note 1 "B" RECONCILIATION OF SHARE

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	6,819,500.00	67,298,250.00
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	6,819,500.00	67,298,250.00

Note 1 "C" DETAIL OF SHARES HELD BY HOLDING COMPANY

Not Applicable

Note 1 "D" LIST OF SHARE HOLDERS HAVING 5% OR MORE SHARES

Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sanjay Bhartiya	504,100.00	7.39	504,100.00	7.39
Vijay Bhartiya	652,600.00	9.57	652,600.00	9.57

Note 1 "E" EQUITY SHARES WERE ALLOTTED(preceding 5 years) AS FULLY PAID UP OTHER THAN CASH

Particulars	Year (Aggregate No. of Shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	NIL	NIL	NIL	NIL	NIL
Fully paid up by way of bonus shares	NIL	NIL	NIL	NIL	NIL
Shares bought back	NIL	NIL	NIL	NIL	NIL

Note 1 "F" UNPAID CALLS

Unpaid Calls	Amount
By Directors	NIL
By Officers	NIL

Note 1 "G" DISCLOSURES

Appropriate disclosures to comply with this point to be made by the Management

As per the meeting of the management there are no shares reserved for issue under option and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts,

There is no securities held for conversion into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date.

No forfeiture of shares has been taken place during the period which was originally paid up.



Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '2'

RESERVES AND SURPLUS

Capital Reserve				
Opening Balance	9,624,258.33		9,624,258.33	
Add : Current Year Transfer	-		-	
Less : Appropriations	-		-	
Closing Balance		9,624,258.33		9,624,258.33
Profit and Loss Account				
Opening Balance	49,678,176.70		41,943,259.11	
Add: Profit During The Year	6,322,933.85		7,734,917.59	
Less: Proposed Dividend (Incl .Tax) (Disclose Amt of Dividend Per Share)	-		-	
Transfer to Reserves	-		-	
Bonus Shares	-		-	
Closing Balance		56,001,110.55		49,678,176.70
	TOTAL	65,625,368.88		59,302,435.03

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '3'

LONG TERM BORROWINGS

-Secured

- Unsecured

Loans & Advance from Related Parties		80,304,108.84		58,900,174.20
1. Period of default		No		No
2. Amount		Nil		Nil
	TOTAL	80,304,108.84		58,900,174.20

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '4'

DEFERRED TAX LIABILITY

Opening deferred Tax Liabilities		3,548,499.00		3,979,704.00
Add: Adjustment during the year		(722,604.00)		(431,205.00)
	TOTAL	2,825,895.00		3,548,499.00

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '5'

SHORT TERM BORROWINGS

-Secured

Loans repayable on demand

From Banks

Cash Credit from State Bank of India, Patna	42,025,462.46		46,588,142.08	
Book Debts from State Bank of India, Patna	26,297,004.00		54,710,878.00	
SLC from State Bank of India, Patna	22,723,860.00		15,970,716.00	
FCNRB Loan	75,652,151.00		-	

[Secured by first charge by way of Hypothecation of stock and receivables , Guarantee of Directors & Others]

1. Period of default		No		No
2. Amount		Nil		Nil
	TOTAL	166,698,477.46		117,269,736.08



Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '6'

TRADE PAYABLES

Trade Payables		36,023,249.11		9,902,931.38
For Goods		-		-
For Capital Goods and Capital Expenses		10,866.00		11,237.00
For Expenses		-		-
Others		-		-
TOTAL		36,034,115.11		9,914,168.38

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '7'

OTHER CURRENT LIABILITIES

Current maturities of long term debt		-		7,034,505.00
Term Loan Installment		18,625.00		121,007.00
Interest Accrued and Due on Borrowings		-		-
Other Payables		20,349,204.25		20,778,229.50
Statutory Dues		739,020.00		508,389.38
Advances from Customers		16,185,444.00		7,471,338.18
TOTAL		37,292,293.25		35,913,469.06

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '8'

SHORT TERM PROVISIONS

Provision for Employee Benefits

Bonus	315,557.00		338,368.00	
EPF	76,870.00		88,043.00	
ESI	19,547.00	411,974.00	22,386.00	448,797.00

Other Provisions:

Provision for Taxation		2,999,500.00		4,457,100.00
Provision for Excise Duty on Closing Stock		14,718,086.00		4,013,367.00
TOTAL		18,129,560.00		8,919,264.00

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '10'

NON-CURRENT INVESTMENTS

(All Unquoted unless otherwise Specified)

Number	Face Value Per Unit	Non - Trade Investment in Equity instruments		
Atreyi Agency Pvt. Ltd. (7600 Equity shares of Rs.100 each fully paid share stated at cost)			1,900,000.00	1,900,000.00
Dina Alloys ltd (25000 Equity shares of Rs.10 each fully paid share stated at cost)			250,000.00	250,000.00
TOTAL			2,150,000.00	2,150,000.00



NOTE '9' FIXED ASSETS

SR. NO.	DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		COST AS ON 01.04.2012	ADDITION DURING THE YEAR	ADJ. DURING THE YEAR	TOTAL COST AS AT 31.03.2013	DEPRECIATION AS AT 01.04.2012	ADDITION DURING THE YEAR	DEP ADJ.	TOTAL DEPRE. AS AT 31.3.2013	AS AT 31.03.2013	AS AT 31.03.2012
Tangible Assets:											
1	LAND	8,150,790.00	-	-	8,150,790.00	-	-	-	-	8,150,790.00	8,150,790.00
2	FACTORY BUILDING	12,086,980.00	-	-	12,086,980.00	9,173,062.63	291,392.00	-	9,464,454.63	2,622,525.37	2,913,917.37
3	PLANT AND MACHINERY	143,885,712.79	764,186.01	-	144,649,898.80	97,944,680.00	6,475,728.00	-	104,420,408.00	40,229,490.80	45,941,032.79
4	VEHICLES	5,913,412.30	-	-	5,913,412.30	3,434,349.78	641,829.00	-	4,076,178.78	1,837,233.52	2,479,062.52
5	OFFICE EQUIPMENT	137,455.00	-	-	137,455.00	114,971.20	3,127.00	-	118,098.20	19,356.80	22,483.80
6	COMPUTER	197,003.00	-	-	197,003.00	197,003.00	-	-	197,003.00	-	-
TOTAL RS.		170,371,353.09	764,186.01	-	171,135,539.10	110,864,066.61	7,412,076.00	-	118,276,142.61	52,859,396.49	59,507,286.48
CWIP		29,296,532.60	-	-	29,296,532.60	-	-	-	-	29,296,532.60	29,296,532.60
PREVIOUS YEAR RS.		167,350,285.80	3,021,067.29	-	170,371,353.09	102,789,543.37	8,074,523.24	-	110,864,066.61	59,507,286.48	64,560,742.43



Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '11'

LONG TERM LOANS AND ADVANCES

Secured :

Unsecured :

Security Deposits	26,743,376.20	26,743,376.20
Sales Tax Appeal	163,500.00	163,500.00

Doubtful:

TOTAL	26,906,876.20	26,906,876.20
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Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '12'

OTHER NON CURRENT ASSETS

Longterm Trade Receivables

Secured Considered Good	-	-
Unsecured Considered Good	-	-
Doubtful	-	-

Others

Employee Provident Fund	2,000,000.00	2,000,000.00
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TOTAL	2,000,000.00	2,000,000.00
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Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees

NOTE '13'

INVENTORIES

Raw Material

Sponge Iron	1,267,200.00	21,300,280.00
Duty Paid Scrap	2,264,186.57	-
Non-Duty Paid Scrap	1,529,414.00	698,422.00
Ferro Alloys	3,039,215.30	8,100,015.87
		2,096,417.00
		24,095,119.00

Finished Goods

M.S.Billet	31,190,889.00	15,035,026.00
M.S.Bars & Rods	59,799,509.00	-
Wire Rod	42,152,122.00	133,142,520.00
		21,448,951.00
		36,483,977.00

Stores and Spares

Stores and Spares	2,167,688.00	3,505,463.00
Furnace Oil	-	2,167,688.00
		1,809,373.00
		5,314,836.00

Others

Waste & Scrap	653,926.00	230,024.45
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TOTAL	144,064,149.87	66,123,956.45
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Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE '14'				
<u>TRADE RECEIVABLES</u>				
Over Six Months				
Secured considered Good		-		-
Unsecured considered good		3,146,156.79		1,487,159.79
Below Six Months				
Secured considered Good		-		-
Unsecured considered good		127,292,377.43		129,396,715.45
Less:				
Provision for Doubtful Debts		-		-
Debts Due by Directors and Other Related Parties		Nil		Nil
TOTAL		130,438,534.22		130,883,875.24

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE '15'				
<u>CASH AND BANK BALANCES</u>				
-Cash and Cash Equivalents				595,239.02
Cash on Hand		31,363.00		
Balance with Banks				4,531.22
-In HDFC Bank Ltd.		9,486.04		
TOTAL		40,849.04		599,770.24

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE '16'				
<u>SHORT TERM LOANS AND ADVANCES</u>				
Loans and advances to related parties (Secured/ Unsecured/ Doubtful)		-		-
Loans and Advance to Directors		-		-
Others				4,618,285.00
Advances Income Tax & TDS		2,350,942.00		
VAT Advance		5,094,000.00		94,000.00
CEN VAT & Service Tax		4,910,838.42		825,765.14
Income Tax Refundable		362,660.00		-
Unsecured Considered Goods				20,962,881.18
Advance to Supplier		52,380,885.35		
Other Advances		21,303,169.35		11,509,072.22
TOTAL		86,402,495.12		38,010,003.54

Particulars	As at 31 March 2013		As at 31 March 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE '17'				
<u>OTHER CURRENT ASSETS</u>				
VAT Reimbursement Receivable		-		5,524,945.00
Prepaid Factory License Fee		31,375.00		62,750.00
Prepaid Insurance		17,860.00		-
TOTAL		49,235.00		5,587,695.00



NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS

Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '18'

REVENUE FROM OPERATION

<u>Indigenous Sales</u>		946,119,223.30		761,550,611.37
Manufactured Goods		-		-
Traded Goods		-		-
<u>Export Sales</u>		-		-
Manufactured Goods		-		-
Traded Goods		-		-
<u>Other Operating Revenues</u>		17,883,021.00		34,467,546.00
Commission & Supervision Charges		5,047,049.15		6,622,149.39
Income from hedging / Commodity		43,580.00		49,999.78
VAT Rebate		7,356,910.00		6,946,401.00
VAT Reimbursement		-		-
TOTAL		976,449,783.45		809,636,707.54

Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '19'

OTHER INCOME

Interest		3,368,378.38		2,510,187.98
TOTAL		3,368,378.38		2,510,187.98

Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '20'

COST OF MATERIAL CONSUMED

Raw Materials' Consumption

Stock at Commencement	24,095,119.00		18,704,164.60	
Add: Purchases	655,589,406.04		500,349,677.85	
Less: Stock at Close	8,100,015.87	671,584,509.17	24,095,119.00	494,958,723.45

Stores Spares Consumption

Stock at Commencement	3,505,463.00		2,722,545.00	
Add: Purchases	19,520,454.28		21,709,053.20	
Less: Stock at Close	2,167,688.00	20,858,229.28	3,505,463.00	20,926,135.20

Furnace Oil Consumed

Stock at Commencement	1,809,373.00		347,774.62	
Add: Purchases	-		1,742,160.00	
Less: Stock at Close	-	1,809,373.00	1,809,373.00	280,561.62

TOTAL **694,252,111.45**

516,165,420.27



Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '21'

CHANGE IN INVENTORY

Opening Stock		36,714,001.45		21,727,292.84
Closing Stock		133,796,446.00		36,714,001.45
TOTAL		(97,082,444.55)		(14,986,708.61)

Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '22'

EMPLOYEE BENEFITS EXPENSES

Salaries, Wages, Bonus etc.	4,296,363.00		4,508,181.00	
Contribution to Provident fund	438,939.00		552,454.00	
Contribution to E.S.I.	179,918.00		206,048.00	
Workmen and Staff Welfare Expenses	54,367.46	4,969,587.46	40,144.16	5,306,827.16
TOTAL		4,969,587.46		5,306,827.16

Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '23'

FINANCE COSTS

<u>Interest to Bank</u>		18,550,264.33		18,468,691.61
<u>Other Interest to Bank</u>		1,500,457.00		1,678,124.00
Interest on Unsecured Loans		41,054.00		316.00
Interest Others				
TOTAL		20,091,775.33		20,147,131.61

Particulars	For the year ended 31/03/13		For the year ended 31/03/12	
	Rupees	Rupees	Rupees	Rupees

NOTE '24'

DEPRECIATION

Depreciation and Amortisation Expenses		7,412,076.00		8,074,523.24
TOTAL		7,412,076.00		8,074,523.24

Particulars	For the period ended 31/03/12		For the period ended 31/03/11	
	Rupees	Rupees	Rupees	Rupees

NOTE '25'

OTHER EXPENSES

<u>Other Manufacturing Expenses</u>			246,121.53	
Entry Tax, Service Tax & Others	145,011.58		7,872,994.08	
CST	12,528,570.58		549,909.00	
Gas Consumed	322,362.00		155,900.00	
Repair and Renewal to Plant and Machinery	18,360.00			
Power & Fuel	210,899,305.28	223,913,609.44	181,454,409.18	190,279,333.79



Particulars	For the period ended 31/03/12		For the period ended 31/03/11	
	Rupees	Rupees	Rupees	Rupees
Sales and Administration Expenses			41,900.00	
Advertisement Expenses	47,500.00		6,000.00	
Charity & Donation	12,000.00		48,616.00	
Commission	-		276,419.30	
Bank charge	930,205.18		486,000.00	
Director's Remuneration	1,200,000.00		350,068.00	
Fees Rates & Taxes	399,007.00		201,640.00	
Freight Outward	-		109,220.00	
General Expenses	64,517.00		79,918.00	
Insurance	127,374.00		39,240.00	
Lease Rent	39,240.00		14,732.00	
Printing and Stationery	24,846.00		274.12	
Round Off	610.94		72,939.88	
Telephone Expenses	86,284.66		25,000.00	
Travelling & Conveyance Expense	8,998.00		44,785.80	
Postage & Telegram	30,588.77		36,822.00	
Vehicle Expenses	42,721.00		-	
VAT Audit Fees	10,000.00		-	
Audit Fee	45,000.00		45,000.00	1,878,575.10
		3,068,892.55		
TOTAL		226,982,501.99		192,157,908.89



NOTE: "26" SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES: -

A. PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENT:

During the year ended 31st March 2012, the revised schedule VI notified under the companies act, 1956 has been applicable to the company for preparation and presentation of its financial statement. The adaptation of revised schedule VI does not impact recognition and measurement principles followed for presentation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirement applicable to the current year.

B. ACCOUNTING CONCEPTS:

The company follows mercantile system of accounting except Telephone Expenditure. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

C. FIXED ASSETS:

- a) Fixed Assets are stated at the original cost including other expenses related to acquisition and installation and allocated pre-operative expenses less depreciation on W.D.V. method.
- b) Excise Duty paid on purchase of Fixed Assets is reduced from the Purchase Price in order to avail Cenvat credit.

D. DEPRECIATION:

Depreciation on Fixed Assets is charged on W.D.V. method, as per rates prescribed in the schedule XIV of the companies Act, 1956 based on single shift on pro-rata basis.

E. INVESTMENTS:

Long Term Investments, which are given below, are booked at cost:-

S.L. No.	Name	Quantity	Type	Value
1	Atreyi Agency Pvt. Ltd.	7600	Equity Shares of Rs. 100/-each	1900000.00
2	Dina Alloys Ltd.	25000	Equity Shares of Rs. 10/-each	250000.00

F. REVENUE RECOGNITION:

- a) Sales are recognised at the time of delivery of goods.
- b) Sales commission and brokerage is recognised on completion of the terms of sales contract between the principal and the buyers.
- c) Sales distribution charges are recognised at the time of delivery of the goods as per the terms of contract.



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DISL (Year 2012-13)

2. NOTES ON ACCOUNTS:-**I. INVENTORIES:**

Stock –in-Trade has been taken, valued and certified by the management.

- a) Inventories including Raw Materials and Stores spares & Equipment are valued at cost. Finished Goods is valued at lower of cost or net realizable value. Cost for this purpose includes purchase price and freight. Cost for the purpose of finished goods also includes cost of conversion. Scrap and waste is valued at net realisable value. The method of valuation of Stock is in accordance with Accounting Standard – 2. Inventories have been valued using the FIFO method.
- b) As stated to us, there are numerous items in stock of stores & spares and, so, it is not possible to maintain the quantitative details of stores & spares. Hence, quantitative details of stock of spares have not been given.

II. Balance of Sundry receivables and payables are subject to formal confirmation. All sundry debtors are unsecured but considered good by the management to the extent of their book value.

III. Estimated amount of capital contracts remaining to be executed not provided for net of advances :-
Rs. NIL (Last year NIL)

IV. Claims against the company not acknowledge as debts Nil.

V. Previous year's figures have been re-grouped and re-arranged wherever considered necessary.

VI. Remuneration to Directors Rs.12,00,000.00/- (Previous Year 4,86,000/-).

VII. Secured Loan

Stock, Receivables and Plant & Machineriēs are hypothecated to the bank as security for amount borrowed

VIII. BORROWING COST:

Borrowing Cost attributable to the acquisition and construction of qualifying assets are capitalized. After borrowing costs are recognised as an expense in period in which they are incurred.

IX. Payment to Auditors for services rendered:-

	<u>Current Year</u>	<u>Prev. Year</u>
a) As Statutory Auditor	28,000.00	28,000.00
b) In respect of tax audit	10,000.00	6,000.00
c) As adviser in respect of Taxation and Company Law matters	7,000.00	6,000.00



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X. Recognition of Deferred Tax Liabilities

The provision for current Income Tax is based on the taxable profit from April 1, 2012 to March 31, 2013. Deferred Income Tax reflects the impacts of current year timing differences between taxable income/ losses and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance sheet date. Deferred tax are recognized only to the extents that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In respect of carry forward losses, deferred tax assets are recognized only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be set off.

Pursuant to AS-22 issued by The Institute of Chartered Accountants of India, Deferred Tax Liability of Rs. 28,25,895.00 which arose during the year on account of timing difference between amount of depreciation as per books of accounts and depreciation as claimed under the provisions of Income Tax Rules, 1962; amounts to Rs.7,22,604.00 which has been recognized in the books of accounts.

Particulars	As at 31 st March, 2013	As at 31 st March, 2012
A. Deferred Tax Liabilities: Related to depreciation on fixed assets	28,25,895.00	35,48,499.00
B. Deferred Tax Assets :	Nil	Nil
i. Expenses charged in financial statement but allowable as deduction in future year under Income Tax Act, 1961	Nil	Nil
ii. Diminution in value of investment charged in Statement of Profit & Loss	Nil	Nil
iii. Others	Nil	Nil
C. Net Deferred Tax Liability	28,25,895.00	35,48,499.00

3. RETIREMENT BENEFITS

Company's contribution to PF, ESI etc. are charged to Statement of Profit & Loss on accrual basis.

4. RETIREMENT & LEAVE ENCASHMENT

Provision for gratuity liability is made on the basis of premium actuarially assessed at the end of the period and intimated by the Life Insurance Corporation of India in terms of a policy taken with them.

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DISL (Year 2012-13)

5. ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PARAGRAPH 3, 4C & 4D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT 1956:-

a). Details of Capacity

Item	Licensed Capacity	Installed Capacity
M.S. Wire Rod & Bars	N/A	N/A

- b). Consumption of Raw Material (Refer attached Annexure)
 c). Production, purchases, Turnover and Closing Stock (Refer attached Annexure)

<u>Foreign Exchange Earnings and Outgo</u>	<u>Current Year</u>	<u>Previous Year</u>
d). Earnings (Rs. in Lacs)	Nil	Nil
e). Outgo (Rs. in Lacs)	Nil	Nil
f). <u>Raw Materials consumed</u>		
Indigenous (Qty. In M.T.)	31956.540	25077.370
Value in Rs. (Rs. In lacs)	5978.61	4382.96
Imported	Nil	Nil
g). Stores and Spares consumed (Rs. In lacs)	229.90	217.57

6. TAXATION

Tax expense (tax savings) is the aggregate of current year tax and deferred tax charged (or credited) to the Statement of Profit and Loss of the year.

Current tax is the provision made for income tax liability on the profits for the year ended 31st March 2013 in accordance with the provisions of the Income Tax Act, 1961.

7. SEGMENT REPORTING

(a) **Business Segment:** The Company has considered business segment as the primary segment for disclosure. The company is primarily engaged in the manufacture of mild steel wire rods, which in the context of Accounting Standard 17 issued by the Institute of Chartered Accountants of India is considered the only business Segment.

(b) **Geographical Segment:** The Company sells its products within India. The conditions prevailing in India being uniform, no separate geographical segment disclosure is considered necessary.

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DISL (Year 2012-13)

8. EARNINGS PER SHARE

	Year Ended 31-03-2013	Year Ended 31-03-2012
a). Profit/(Loss) after Tax as per Statement of Profit and Loss	6,322,933.85	7,734,917.59
b). Number of equity shares of Rs.10/-	6,819,500.00	6,819,500.00
c). Weighted average number of equity shares of Rs.10/- each outstanding during the year	6,729,825.00	6,729,825.00
d). Earning per shares Basic	0.94	1.15
e). Earning per shares Diluted	0.94	1.15

9. RELATED PARTY DISCLOSURE

Information relating to Related Party Transaction as per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India is given below:

<u>A. NAME OF THE RELATED PARTY</u>	<u>RELATIONSHIP</u>
Mr. Sanjay Kumar Bhartiya	Key Managerial Personnel
Mr. Prashant Bhartiya	Key Managerial Personnel
Mrs. Ritu Bhartiya	Key Managerial Personnel
Mr. Sanjay Kumar Bhartiya (HUF)	HUF of Key Managerial Personnel
Mr. Prashant Bhartiya (HUF)	HUF of Key Managerial Personnel
Mrs. Nupur Bhartiya	Wife of Key Managerial Personnel
Mr. Vijay Kumar Bhartiya (HUF)	HUF of Brother of Key Managerial Personnel
Mr. Saurabh Bhartiya	Brother of Key Managerial Personnel
Mrs. Aruna Devi Bhartiya	Mother of Key Managerial Personnel
Apoorva Bhartiya	Son of Key Managerial Personnel
Mr. Raj Kumar Bhartiya	Father of Key Managerial Personnel
Mr. Raj Kumar Bhartiya (HUF)	HUF of Father of Key Managerial Personnel
Patliputra Industrial Gases Limited	Associate Company
Patliputra Gases Limited	Associate Company
Iron Scrap Processing Works (P) Ltd	Associate Company
Patliputra Steels Private Limited	Associate Company
Sun Comtech Private Limited	Associate Company

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DISL (Year 2012-13)

B. TRANSACTIONS DURING THE YEAR

NAME OF THE RELATED PARTY	<u>NATURE OF TRANSACTION</u>
Mr. Sanjay Kumar Bhartiya	Director Remuneration paid of Rs. 6.00 Lacs, Interest paid of Rs. 2.00 Lacs, Loan taken of Rs. 204.80 Lacs and having year end balance Rs. 278.01 Lacs
Mr. Prashant Bhartiya	Director Remuneration paid of Rs. 6.00 Lacs, Interest paid of Rs. 0.64 Lacs Loan taken of Rs. 8.50 Lacs and having year end balance Rs. 12.29 Lacs
Mrs. Ritu Bhartiya	Loan given amounts to Rs. 1.76 Lacs
Mr. Sanjay Kumar Bhartiya (HUF)	Interest paid of Rs. 4.80 Lacs Loan taken of Rs. 5.50 Lacs and having year end balance Rs. 64.84 Lacs
Mr. Prashant Bhartiya (HUF)	Interest paid of Rs. 2.13 Lacs and year end balance of loan taken amounts to Rs. 27.85 Lacs
Mrs. Nupur Bhartiya	Interest paid of Rs. 1.06 Lacs Lacs Loan taken of Rs. 10.40 Lacs and having year end balance Rs. 10.56 Lacs
Mr. Vijay Kumar Bhartiya (HUF)	Interest paid of Rs. 3.14 Lacs and year end balance of loan taken amounts to Rs. 41.57 Lacs
Mr. Saurabh Bhartiya	Interest paid of Rs. 1.24 Lacs Loan taken of Rs. 4.00 Lacs and having year end balance Rs. 18.24 Lacs
Apoorva Bhariya	Loan taken of Rs. 8.13 Lacs and having year end balance Rs. 140.46 Lacs
Mrs. Aruna Devi Bhartiya	Year end balance of loan taken amounts to Rs.20.67 Lacs
Mr. Raj Kumar Bhartiya	Loan taken of Rs. 2.70 Lacs and year end balance amounts to Rs.5.16 Lacs
Mr. Raj Kumar Bhartiya (HUF)	Year end balance of loan taken amounts to Rs.2.94 Lacs
Iron Scrap Processing Works (P) Ltd	Year end balance of loan taken amounts to Rs.58.50 Lacs
Patliputra Industrial Gases Limited	Purchases of raw material of Rs. 0.15 Lacs
Patliputra Gases Limited	Purchases of raw material of Rs. 3.72 Lacs
Patliputra Steels Private Limited	Year end balance of loan taken amounts to Rs 8.51 Lacs
Sun Comtech Private Limited	Year end balance of loan taken amounts to Rs.113.42 Lacs

Signature to Note '1' TO '26'.

In terms of our report annexed.

For **SUBODH GOEL & CO**

Chartered Accountants,

(Subodh Kumar Goel)

M. No. 74835

(Partner)

Firm Reg. No. 006103C

Place : Patna.

Date : 10-08-2013



For and on behalf of the board

[DIRECTOR]

[DIRECTOR]