

**AUDIT REPORT**  
**YEAR: 2017-18**

**DINA IRON & STEEL LIMITED**  
Abdul Rehmanpur Road, Didarganj, Patnacity, PATNA - 800 009

**AGRAWAL ANIL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

'Achal', Justice Narain Path, Nageshwar Colony, Boring Road, Patna-800001  
Phone: 0612-2524020/8084900910



**Dina Iron  
& Steel Ltd.**

ABDULRAHMANPUR ROAD  
DIDARGANJ, PATNA CITY  
PATNA - 800 009 (BIHAR)

**NOTICE**

NOTICE is hereby given that the 29<sup>th</sup> ANNUAL GENERAL MEETING of the members of M/S DINA IRON & STEEL LIMITED will be held on Saturday, 29<sup>th</sup> September, 2018 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 31<sup>st</sup> March, 2018, the Profit and Loss account for the year ended on that date and Auditors Report thereon, and the reports of the Board of Directors, Corporate Governance Report as on 31<sup>st</sup> March, 2018.
- 2). To appoint a Director in place of Ritu Bhartiya, who retires from office by rotation and being eligible, offers herself for re-appointment.

Date: 24<sup>th</sup> May, 2018

Place: Patna

By order of the Board

For Dina Iron & Steel Ltd.

(SANJAY KUMAR BHARTIYA)

Managing Director

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 24<sup>th</sup> September 2018 to 29<sup>th</sup> September, 201 (both days 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, Didarganj, Patna City, 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.
9. Corporate Members intending to send their Authorized Representative under Section 113 of the Companies Act, 2013 are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.

By order of the Board  
For Dina Iron & Steel Ltd.



(SANJAY KUMAR BHARTIYA)  
Managing Director

Date: 24<sup>th</sup> May, 2018

Place: Patna

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## DIRECTOR'S REPORT

To,  
The Members of  
**DINA IRON & STEEL LIMITED**  
[CIN:L27101BR1992PLC004967]

Dear Shareholders,

Your Directors have pleasure in presenting their 25<sup>th</sup> annual report with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2018. The working results of the company are set out hereunder: -

### 1. FINANCIAL RESULTS :

Particulars	Year ended 31 <sup>st</sup> March 2018	Year ended 31 <sup>st</sup> March 2017
	(Rs.)	(Rs.)
Total Revenue	1,74,76,04,726.73	1,49,83,41,983.44
Profit before finance charges, tax, Depreciation/Amortization	6,19,16,266.43	6,63,16,835.66
Less: finance charges	3,46,70,078.31	3,59,27,311.97
Profit before Tax, Depreciation/Amortization	2,72,46,188.12	3,03,89,523.69
Less: Depreciation	1,25,37,939.00	1,53,75,022.27
Net Profit before Taxation	1,47,08,249.12	1,50,14,501.42
Provision for Taxation (incl. deferred tax)	57,26,213.67	70,07,329.00
Profit/(Loss) after tax	89,82,035.45	80,07,172.42
Provision for proposed dividend	-	-
Dividend Tax	-	-
Transfer to General Reserve	-	-

### 2. PERFORMANCE :

Our net profit amounted to Rupees 89.82 Lacs as against Rupees 80.07 Lacs in the previous year.

### 3. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK :

The company is engaged in the business of manufacturing of Iron & Steels and the Board informs to the members that there has been no change in the nature of business of the

Company during the financial year. Detail information on operation is provided in the Management Discussion and Analysis Report.

4. **DIVIDEND**

The Board of directors has not recommended any dividend with the view to conserve the resources of company.

5. **SHARE CAPITAL**

During the Financial Year 2017-18, no new shares has been issued or allotted out of the authorized capital of the Company, hence no change in the share capital of the Company.

6. **EXTRACT OF ANNUAL RETURN:**

The extract of Annual Return, in format MGT-9 for the financial year 2017-18 has been enclosed with this report.

7. **NUMBER OF BOARD METINGS**

During the Financial Year 2017-18, 08 meetings of the Board of Directors of the company were held on 27/05/2017, 12/08/2017, 31/08/2017, 25/09/2017, 14/11/2017, 22/01/2018, 12/02/2018 & 21/03/2018.

8. **PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186**

Particulars	As at 31 <sup>st</sup> March, 2018	Purpose
Atreyi Agencies (P) Ltd.	30,00,000.00	For meeting funds requirement for carrying out of business activity.
Bishwanath Pd. & Sons Agencies, Patna	10,00,000.00	
L.V. Enterprises (P) Ltd.	15,00,000.00	
Shree Bihari Jee Mills (P) Ltd.	1,00,00,000.00	
<b>TOTAL</b>	<b>1,55,00,000.00</b>	

9. **EXPLANATION TO AUDITOR'S REMARK**

The observations made in the Auditors Report read together with relevant notes thereon are self explanatory and hence do not call for any further comments under Section 134 of the Companies Act, 2013. As required under section 204(1) of the Companies Act, 2013 the Company has obtained a secretarial audit report and attached with this report in Form MR-3.

10. **FRAUD REPORTING (REQUIRED BY COMPANIES AMENDMENT ACT, 2014)**

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the year under review.

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

As required by Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. A statement regarding particulars of conservation of energy is presented as under:-

A. **CONSERVATION OF ENERGY:**

**FORM - A**

	<b>Current Year</b>	<b>Previous Year</b>
	<b>2017-18</b>	<b>2016-17</b>
<b>Power &amp; Fuel Consumption</b>		
a) <u>Electricity (Purchased)</u>		
Unit (KWH)	7,49,60,410	7,44,02,270
Total Amount (Rs. In lacs)	3809.1948	3385.4105
Average Rate/per unit	5.08	4.55
b) <u>Furnace Oil (Consumed)</u>		
Unit (Ltr.)		-
Total Amount (Rs. In lacs)		-
Average Rate/Ltr.		-
c) <u>Coal</u>		
Quantity (MT)	-	135.055
Total Amount (Rs. In lacs)	-	9.82
Average Rate/MT	-	0.072

**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.

**B. TECHNOLOGY ABSORPTION :**

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

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

Detail of foreign exchange and outgo during the year under review has been mentioned at Note:51, Significant Accounting Policies & Notes on Accounts.

**12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on arm's length basis.

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2017-18 in the prescribed format, AOC 2 has been enclosed with the report.

**13. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

The Board declares that there has been no material change and no event has occurred during the balance sheet date and the date of signing this report which could affect the financial position or the solvency of the company.

**14. RISK MANAGEMENT POLICY**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. These are discussed at the meetings of the Audit Committee and the Board of Directors of the Company.

**15. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operation in future.

**16. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

**17. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During financial year 2017-18 following changes took place in the composition of Board of Directors:

- Mr. Atul Kumar & Mr. Abhishek Agarwal resigned w.e.f. 20.01.2018.
- Mrs. Ritu Bhartiya, Director retire by rotation at the ensuing annual general meeting and being eligible, offer himself for reappointment.

**18. ADEQUACY OF INTERNAL FINANCIAL CONTROL**

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Significant audit observations and follow up actions thereon are reported to the Audit Committee.

**19. DEPOSITS**

The Company has not accepted any amount as deposits during financial year 2017-18 and as such no amount is due on account of principal or interest as on the balance sheet date.

**20. SECRETARIAL AUDIT REPORT**

Secretarial Audit Report in prescribed format MR-3 given by a practicing company secretary for the financial year 2017-18 has been enclosed with this report.

**21. BOARD COMMITTEES**

**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 Regulation 18 of LODR as well as those stipulated by the SEBI guidelines. But after resignation of independent directors, committee was dissolved.



## II. Attendance

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

### NOMINATION AND REMUNERATION COMMITTEE

#### I. Term of Reference

The Nomination and Remuneration committee of the company was constituted after being mandated with the same terms of reference specified in Regulation 19 of LODR as well as those stipulated by the SEBI guidelines. But after resignation of independent directors, committee was dissolved.

#### II. Attendance

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

Separate note on Nomination and Remuneration Committee policy has been enclosed with this Report.

## 22. FORMAL ANNUAL EVALUATION

The evaluation framework for assessing performance of directors comprises of following key areas:

- Attendance of Board Meetings and Board Committee Meetings.
- Input regarding future growth of company and its performance.
- Commitment to shareholders and other stakeholders interest.

The evaluation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

## 23. VIGIL MECHANISM

The vigil mechanism of the company which also incorporates whistle blower policy. The Whistleblower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of

no employee is victimised or harassed for bringing such incidents to the attention of the Company. The practice of the Whistleblower Policy is overseen by the Audit Committee of the Board.

**24. CORPORATE GOVERNANCE CERTIFICATE**

Corporate Governance Certificate given by auditors regarding compliance with regulation 27 of (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been enclosed with this report.

Declaration by Managing Director that the Board Members and Senior Management Personnel have complied with the Code of Conduct has been enclosed with this report.

**25. MANAGERIAL REMUNERATION**

Statistical Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached with this report.

**26. STATUTORY AUDITORS**

The Auditor M/S Agrawal Anil & Associates, Chartered Accountants (Firm Regn No: 002470C) hold office upto the conclusion of 30th Annual General Meeting. As per latest provision auditor shall be appointed for period of 5 years without any ratification. Therefore, provision relating to auditor appointment shall be given once in 5 year.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**27. COST AUDITORS**

The Board of Directors of the Company has appointed S.CHHAPARIA & ASSOCIATES, Cost Accountants on 10/09/2017 to carry out the audit of the cost accounting records maintained by the company for the financial year 2017-18.

**28. SECRETARIAL AUDITORS**

The Board of Directors of the Company has appointed B.Kumar & Associates, Company Secretaries on 21/03/2018 to carry secretarial audit of the company for the financial year 2017-18.

**29. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Separate note on management discussion and analysis has been enclosed with this report.

**30. DIRECTOR'S RESPONSIBILITY:**

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 the Board confirms that:

- a) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, 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, 2018 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, 2013 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.
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

**31. 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**

## NOMINATION AND REMUNERATION POLICY

### INTRODUCTION

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors, KMPs and Employees of the Company.

### CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted the "Nomination and Remuneration Committee" of the Board on October 15, 2014 under the Companies Act, 2013. The Board has authority to reconstitute this committee from time to time.

### POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMPs AND SENIOR MANAGEMENT

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his /her appointment.

A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

- Term/Tenure

#### Managing Director/Whole time Director

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time.

#### Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

- Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company.

## POLICY RELATING TO REMUNERATION FOR DIRECTORS, KMPS AND OTHER EMPLOYEES

1. The remuneration / compensation/ commission etc. to Directors, KMPS and Other Employees will be determined by the Committee and recommended to the Board for approval.
2. The remuneration payable to Non- Executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made thereunder.
3. The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.

### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i.

Name Of Directors	Remuneration of Director for financial year 2017-18. (Rs.)	% increase in remuneration in the financial year 2017-18.	Ratio of remuneration of each director to median remuneration of employees.
Sanjay Kumar Bhartiya	6,00,000	Nil	7.93%
Prashant Bhartiya	6,00,000	Nil	7.93%

The median remuneration of employees of the company during the financial year 2017-18 was Rs.75,600.00 and during the financial year 2016-17 was Rs.69,000.00

- ii. There were 150 permanent employees on the rolls of the Company as on March 31, 2018.
- iii. In the financial year there was increase of 9.56% in the median remuneration of employees.
- iv. Average percentage increase in the salaries of employees other than the managerial personnel in the financial year 2017-18 was 4.62% whereas managerial remuneration remains same.
- v. There were no variable components in remuneration availed by directors.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section 3 of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO

1. Details of contracts or arrangements or transactions not at arm's length basis : NA

Name of the related party and nature of relationship	Nature of Contracts/ Arrangements / Transactions	Duration of the Contracts/ Arrangements/ Transactions	Terms of Contracts/ Arrangements/ Transactions	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date of Special Resolution

2. Details of material contracts or arrangements or transactions at arm's length basis :

Name of the related party and nature of relationship	Nature of Contracts/ Arrangements/ Transactions	Duration of the Contracts/ Arrangements/ Transactions	Terms of Contracts / Arrangements/ Transactions	Date of approval by the Board, if any	Amount paid as advances, if any.
PATLIPUTRA INDUSTRIAL GASES PVT. LTD.  RELATED PARTY	SALE, PURCHASE, OR SUPPLY OF ANY GOODS OR MATERIALS	ONGOING	-	25/05/2015	NIL

For and On behalf of the Board of

**Dina Iron & Steel Limited**



**SANJAY KUMAR BHARTIYA**

[CHAIRMAN]

Place: - Patna

Date: - 24.05.2018

## 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.

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'2018. Out of which one Mr. Sanjay Kumar Bhartiya is a *Managing Director* of the company and 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 meeting & Attendance of Directors

The Board of Directors duly met 08 (eight) times on 27/05/2017, 12/08/2017, 31/08/2017, 25/09/2017, 14/11/2017, 22/01/2017, 12/02/2017 & 21/03/2018 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.

### II. Board and Committee Memberships

As mandated by regulation 26, 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.



### 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 regulation 26 of the LODR .

### GENERAL BODY MEETING

Location and Date of last three AGMs:

Year	Venue	Date
2017-18	Regd Office :	29-09-2018
2016-17	at Abdul Rehmanpur Road,	25-09-2017
2015-16	Didarganj, Patnacity, Patna- 800008	29-09-2016

### 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.

#### 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 Regulation 17(8) LODR.

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.

On behalf of the Board  
For DINA IRON AND STEEL LIMITED

Place: PATNA

Dated: 24.05.2018



Managing Director

**DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT**

Pursuant to Regulation 34(3) and 53(f) of the LODR, 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.

**Place:** PATNA

**Dated:** 24.05.2018

**For DINA IRON AND STEEL LTD.**



**Managing Director**



**AGRAWAL ANIL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

'Achal', Justice Narain Path, Nageshwar Colony, Boring Road, Patna-800001  
Phone: 0612-2524020/8084900910 Fax: 0612-2524020 Cell: 9431881950  
E- mail: aanilpatna@gmail.com

**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 31<sup>st</sup> March, 2018, as stipulated in Regulation 27 of LODR.

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.

For **AGRAWAL ANIL & ASSOCIATES**  
Chartered Accountants

Place: PATNA

Dated: 24/05/2018

  
(Agarwal Anil Kumar)

Partner

M. No.: 071338



## **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, 2013. 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 for steel

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: 24.05.2018

  
Managing Director



To,  
The Members  
Dina Iron & Steel Limited  
Abdul Rehmanpur Road, Didarganj,  
Patna City, Patna - 800009

At the request of the management, we have examined relevant registers, records and documents maintained and made available to us by **Dina Iron & Steel Limited (CIN: L27101BR1992PLC004967)** for the period commencing from 1st April 2017 to 31st March 2018 for compliances of Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

ICSI had issued Secretarial Standards numbering 1 to 10 with reference to the provisions of the Companies Act, 1956 which were recommendatory in nature and the management had voluntarily decided to adhere to them. During the period under review ICSI had issued two corresponding Secretarial Standards viz, SS-1 (Meeting of Board of Directors) and SS-2 (General Meetings) with reference to the provisions of the Companies Act, 2013; the management had decided to continue to adhere to Standards issued and comply with the same to the extent applicable to the Company.

Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of Standards.

In our opinion and to the best of our information and according to the explanation given us, we report that the Company has complied with all material aspects of applicable Secretarial Standards issued by ICSI.

Place: Patna  
Date: 10.05.2018

For B. KUMAR & ASSOCIATES  
Company Secretaries

  
(Nitesh Srivastava)  
Partner

C.P.No. - 13604



**Form No. MR - 3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule NO. 9 of the  
Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members  
Dina Iron & Steels Limited  
Abdul Rehmanpur, Didarganj

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Dina Iron & Steels Limited (CIN: LI27101BR1992PLC004967)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute 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 conduct of the secretarial audit, We hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2018, the Company 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - (Not applicable to the Company during the Audit Period);
5. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

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





- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- d. The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the Client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

6. The industrial and labour laws consisting of:

- a) Factories Act, 1948
- b) Industrial Relations Act, 1946
- c) Industrial Disputes Act, 1947
- d) The Payment of Wages Act, 1936
- e) The Minimum Wages Act, 1948
- f) Employees' State Insurance Act, 1948
- g) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- h) The Payment of Bonus Act, 1965
- i) The Payment of Gratuity Act, 1972
- j) The Contract Labour (Regulation & Abolition) Act, 1970
- k) The Child Labour (Prohibition & Regulation) Act, 1986
- l) The Industrial Employment (Standing Order) Act, 1946
- m) The Employees' Compensation Act, 1923

7. The environmental laws consisting of:

- a) Water (Prevention and Control of Pollution) Act, 1974;
- b) Water (Prevention and Control of Pollution) Cess Act, 1977;
- c) Air (Prevention and Control of Pollution) Act, 1981;
- d) Environment (Protection) Act, 1986;

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India.
  - (i) Secretarial Standard – 1 (Meeting of Board Of Directors)
  - (ii) Secretarial Standard – 2 (General Meetings)
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into by the company with Bombay Stock Exchange of India;

**We report that** during the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above subject to the following observations:

- 1) *The company has not attached Limited Review Report with unaudited financial statement sent to the Bombay stock exchange as per requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.*
- 2) *The Audit Committee constituted as per the requirement of Section 177 of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 duly met 03 (Three) times during the financial year in contravention to clause 49 of Listing agreement (Revised).*

**We further report that,** there were no actions or events in pursuance of

- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

requiring any compliance thereof by the Company as these are not applicable to the company during the financial year ended on 31<sup>st</sup> March 2018.

**We further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions of the Board were taken by the unanimous consent of dis-interested directors where ever applicable.

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

**We further report that** the company has deputed proper persons to ensure the timely compliances of labour and environmental laws applicable to the Company. However, presently there exists no system for producing the status of compliance before the Board of Directors. It was assured by the management that steps will be taken to inform the Board about the status of compliances in future.

**We further report that** The Board of Directors of the Company met 08 (Eight) times during the financial year in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes book.

Number of Meeting	Date of Meeting
1 <sup>st</sup> Board Meeting	27.05.2017
2 <sup>nd</sup> Board Meeting	12.08.2017
3 <sup>rd</sup> Board Meeting	31.08.2017
4 <sup>th</sup> Board Meeting	25.09.2017
5 <sup>th</sup> Board Meeting	14.11.2017
6 <sup>th</sup> Board Meeting	22.01.2018
7 <sup>th</sup> Board Meeting	12.02.2018
8 <sup>th</sup> Board Meeting	21.03.2018

**We further report that** The Audit Committee constituted as per the requirement of Section 177 of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 duly met 3 (Three) times during the financial year, viz. 27<sup>th</sup> May 2017, 12<sup>th</sup> August 2017, and 14<sup>th</sup> November 2017 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes book. The meetings of the Nomination & Remuneration Committee were duly and properly convened and minutes of such meetings have been properly recorded and signed in the Minutes book maintained for the said purpose.

**It was informed** by the management that the related party transactions were on arms length basis.

**We further report that** the compliances by the Company of applicable financial laws, tax laws has not been reviewed in this Audit because the same is already subject to review by the statutory auditors and other designated professionals.

**We further report that** during the audit period, there are no specific events/ actions having a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc, as referred to above.

#### **Listing Obligations & Disclosure Requirements**

Following clauses has been duly complied:

- Regulation 31 : Shareholding Pattern
- Regulation 6 : Appointment of Compliance Officer
- Regulation 27(2) : Corporate Governance
- Regulation 53A : Reconciliation of Share Capital.
- Regulation 33 : Submission of Unaudited Quarterly Financial Results
- Regulation 34 : Submission of copies of Annual Report/ Proceedings AGM/EGM

**We further report that** during the audit period, the regulations of listing obligations & disclosure requirements not mentioned above as complied shall be deemed to be not complied as we have not been provided with the necessary documents and records regarding their compliances.


**We further report that** during the audit period, there were no instances of:

1. Public/Rights/Preferential issue of shares/debentures/sweat equity.
2. Redemption/buy-back of securities.
3. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
4. Merger/amalgamation/reconstruction etc.
5. Foreign technical collaborations.

*Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.*

Place: Patna  
Date: 10.05.2018

For B. KUMAR & ASSOCIATES  
Company Secretaries

  
(Nitesh Srivastava)

Partner

C.P No. - 13604





**AGRAWAL ANIL & ASSOCIATES**  
CHARTERED ACCOUNTANTS

'Achal', Justice Narain Path, Nageshwar Colony, Boring Road, Patna-800001  
Phone: 0612-2524020/8084900910 Mob No: 9431881950 Fax: 0612-2524020 E-mail:aanilpatna@gmail.com

**Independent Auditor's Report**

**To The Members of M/s Dina Iron and Steel Limited**

CIN NO L27101BR1992PLC004967

**REPORT ON THE FINANCIAL STATEMENTS:**

We have audited the accompanying financial statements of M/s DINA IRON AND STEEL LIMITED (*the Company*) which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements:**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

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 and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and 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 financial statements based on our audit.

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 under Section 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the 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 financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the financial Statements:

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.

Our opinion is not modified in respect of these matters.



## Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31<sup>st</sup> March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Report on Other Legal and 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 sub-section (11) of Section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in '**Annexure B**'; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Patna  
Date: 24.05.2018

For Agarwal Anil & Associates  
Chartered Accountants

  
(Agarwal Anil Kumar)  
M.NO M. No. 071338  
Partner  
Firm Reg. No- 002470C





**DINA IRON AND STEEL LIMITED**

CIN No. L27101BR1992PLC004967

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)	In our opinion, the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
	(b)	As explained to us, physical verification of these fixed assets is being conducted in a phased programme by the management designed to cover all the assets over a period of one to two years, which in our opinion is reasonable having regard to the size of the company and the nature of assets.
	(c)	According to the information and explanations given to us and the records examined by us and based on the examination of the relevant records provided to us, we report that, the title deeds of all the immovable properties of land, are held in the name of the Company as at the balance sheet date.
(ii)		The physical verification of inventory has been conducted at reasonable intervals by the management and material discrepancies noticed on such verification have been properly dealt with in the books of account.
(iii)		The Company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013
(iv)		In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of granting loans, as applicable.



(v)	The company has not accepted any deposit from public within the meaning of the word "deposit" as defined under Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014. In our opinion, and according to the information and explanations given to us, there is no noncompliance to the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 wherever applicable. We are informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal upon the Company.
(vi)	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 148 (1) of the Companies Act, 2013 and are of the opinion that prima -facie, the prescribed accounts and records have been made and maintained.
(vii)	<p>(a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues during the year as applicable with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.</p> <p>(b) In our opinion, according to the information and explanations given to us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.</p>
(viii)	In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, government or dues to debenture holders.
(ix)	In our opinion and according to the information and explanations given to us, the company has applied money raised by way of initial public offer or further public offer (including debt instrument) and term loans for the purpose for which those are raised by the company.

(x)	During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or any fraud on the company by its officers/employees, noticed or reported during the year, nor have been informed of such case by the management.
(xi)	Managerial remuneration is paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
(xii)	The company is not a Nidhi Company. Hence the provisions of the clause 4(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.
(xiii)	All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements etc as required by the applicable accounting standards
(xiv)	The company has not made any preferential allotment/ private placement of shares or fully or partly convertible debentures during the year under review which needs to be complied with section 42 of the Companies Act, 2013.
(xv)	The company has not entered into any non cash transactions with directors or persons connected with him which needs to be complied with the provisions of section 192 of Companies Act, 2013.
(xvi)	The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934

For Agarwal Anil & Associates

Chartered Accountants

  
(Agarwal Anil Kumar)

M. No. 071338

Partner

Firm Reg. No 002470C



Place: Patna

Date: 24.05.2018

## **DINA IRON & STEEL LIMITED**

FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018

Annexure to the Independent Auditor's Report of even date on The Standalone Financial Statements of **DINA IRON & STEEL LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Dina Iron & Steel Limited ("the Company"), as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **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 Reporting issued by the Institute of Chartered Accountants of India". 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.

### **Auditors' 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable



## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were commensurate with the nature of the business of the Company and operating effectively as at March 31, 2018, 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".

Place: Patna  
Date: 24.05.2018

For Agarwal Anil & Associates  
Chartered Accountants

  
(Agarwal Anil Kumar)  
M.NO M. No. 071338  
Partner

Firm Reg. No- 002470C



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 an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, 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 risks of material misstatement of the financial statements, 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 over Financial Reporting**

A Company's internal financial control over financial reporting is a 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 control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent 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 control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



**DINA IRON & STEEL LIMITED**

CIN NO. L27101BR1992PLC030617

Abdul Rahimapur Road, Dildarganj, Patna, PATNA - 800 009

**BALANCE SHEET AS ON 31ST MARCH, 2018**

	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2018
<b>I. ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	1	5,78,14,354.95	7,07,20,943.95	8,13,06,130.22
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other intangible assets		-	-	-
(f) Intangible assets under development		-	-	-
(g) Biological Assets Other than bearer plants		-	-	-
(h) Financial Assets		-	-	-
(i) Investments in subsidiaries and associates	2	-	-	-
(ii) Other investments	3	20,00,000.00	20,00,000.00	20,00,000.00
(iii) Trade receivables	4	-	-	-
(iv) Loans	5	-	-	-
(v) Others	6	-	-	-
(i) Deferred tax assets (Net)		-	-	-
(j) Other non-current assets	7	3,71,37,572.57	3,71,37,572.57	3,71,37,572.57
(k) Non-Current Tax Assets (Net)	8	-	-	-
<b>Total Non Current Assets</b>		<b>11,69,51,927.52</b>	<b>12,94,58,216.52</b>	<b>14,05,03,702.75</b>
<b>Current assets</b>				
(a) Inventories	9	24,20,02,703.48	17,47,86,400.87	15,21,89,820.28
(b) Financial Assets		-	-	-
(i) Investments	10	-	-	-
(ii) Trade receivables	11	-	-	-
(iii) Cash and cash equivalents	12 A	24,13,81,881.68	32,03,76,182.49	27,78,03,407.37
(iv) Bank balances other than (iii) above	12 B	11,73,456.10	2,53,446.00	9,28,959.33
(v) Loans	13	-	-	-
(vi) Others	14	1,55,00,000.00	1,55,00,000.00	1,79,33,000.00
(c) Current Tax Assets (Net)	15	1,00,50,872.84	3,19,83,826.79	2,11,73,377.07
(d) Other current assets	16	3,53,398.00	25,46,388.41	1,71,85,833.10
(e) Non Current Assets held for sale	17	51,09,62,392.10	51,54,48,244.56	48,71,34,817.18
<b>Total Current Assets</b>		<b>51,69,62,322.10</b>	<b>51,54,48,244.56</b>	<b>48,72,36,817.73</b>
<b>TOTAL ASSETS</b>		<b>62,79,14,249.62</b>	<b>64,49,06,461.08</b>	<b>62,77,40,520.57</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity Share capital	18	6,72,98,250.00	6,72,98,250.00	6,72,98,250.00
(b) Other Equity	19	-	-	-
(i) Reserves and surplus		9,57,58,895.20	8,57,76,899.75	7,87,60,687.33
(ii) Other reserves		96,24,258.33	96,24,258.33	96,24,258.33
Equity attributable to equity holders of parent		17,26,81,403.53	16,26,99,368.08	15,56,83,195.66
Non Controlling Interest		-	-	-
<b>Total Equity</b>		<b>17,26,81,403.53</b>	<b>16,26,99,368.08</b>	<b>15,56,83,195.66</b>
<b>2. Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities		-	-	-
(i) Borrowings	20	9,51,22,898.01	9,70,87,097.06	11,52,29,136.28
(ii) Trade payables	21	-	-	-
(iii) Other financial liabilities	22	47,00,200.00	47,00,200.00	28,00,000.00
(b) Provisions	23	-	-	-
(c) Deferred tax liabilities (Net)	24	1,46,356.00	14,58,602.00	89,111.00
(d) Other non-current liabilities	25	-	-	-
<b>Total Non Current Liabilities</b>		<b>9,99,67,254.01</b>	<b>10,32,45,899.06</b>	<b>11,81,08,250.29</b>
<b>Current liabilities</b>				
(a) Financial Liabilities		-	-	-
(i) Borrowings	26	37,21,49,985.58	27,32,43,381.16	27,46,83,801.70
(ii) Trade payables	27	1,20,82,774.37	2,13,19,551.91	1,98,49,565.69
(iii) Other financial liabilities	28	4,26,40,799.59	3,96,84,641.00	3,77,07,634.32
(b) Other current liabilities	29	2,28,81,331.54	3,09,07,324.23	1,29,28,565.00
(c) Provisions	30	5,74,661.00	81,51,872.00	70,39,686.00
(d) Liabilities for Current Tax(Net)	31	46,25,940.00	46,49,503.32	17,10,832.00
<b>Total Current Liabilities</b>		<b>38,57,65,292.08</b>	<b>37,79,58,531.64</b>	<b>35,39,48,074.71</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>62,79,14,249.62</b>	<b>64,49,06,461.08</b>	<b>62,77,40,520.57</b>

Significant Accounting Policies  
The accompanying notes are an integral part of  
the Standalone Financial Statements.

For Approval A&F & Associates  
Chartered Accountants

*A.K. Singh*  
(Partner)  
M. NO. 07188, Patna



Date: 24.05.2018  
Place: Patna

Signatures to the Financial Statements  
For and on behalf of the Board

*M. Bhatnagar*  
(Managing Director)  
*J. Singh*  
(Chief Financial Officer)

*Akanksha*  
(Director)  
*Akanksha*  
(Company Secretary)

**DINA IRON & STEEL LIMITED**

CIN NO. L27101BR1992PLC004967

Abdul Rehmanpur Road, Didarganj, Patna City, PATNA - 800 009

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018**

	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
<b>Revenue</b>			
I Revenue from Operations	32	1,79,00,96,311.94	1,67,32,15,584.77
Less Excise Duty		4,78,97,587.21	17,98,74,084.12
<b>Net Revenue from Operations</b>		<b>1,74,21,98,724.73</b>	<b>1,49,33,41,500.65</b>
II Other Income	33	54,06,002.00	50,00,482.79
<b>III Total Income (I + II)</b>		<b>1,74,76,04,726.73</b>	<b>1,49,83,41,983.44</b>
<b>IV Expenses</b>			
Cost of Materials Consumed	34	1,38,40,89,190.08	1,06,34,24,002.69
Purchases of Stock-in-Trade			
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	35	(11,22,63,607.00)	(91,56,576.00)
Employee Benefits Expense	36	68,67,140.64	65,34,983.00
Finance Costs	37	3,46,70,078.31	3,59,27,311.97
Depreciation and Amortisation Expense	38	1,25,37,939.00	1,33,75,022.27
Other Expenses	39	40,69,95,736.58	37,12,02,738.09
<b>Total Expenses</b>		<b>1,73,28,96,477.61</b>	<b>1,48,33,27,492.02</b>
<b>V Profit Before Exceptional Items and Tax (III-IV)</b>		<b>1,47,08,249.12</b>	<b>1,58,14,501.42</b>
VI Exceptional Items	40	-	-
<b>VII Profit Before Tax (V+VI)</b>		<b>1,47,08,249.12</b>	<b>1,58,14,501.42</b>
<b>VIII Tax Expense</b>			
(1) Current Tax		61,79,200.00	51,32,700.00
(2) Deferred Tax		(13,14,306.00)	13,69,551.00
(3) Tax expense of earlier years		8,61,319.67	5,05,078.00
<b>Total Tax Expense</b>		<b>57,26,213.67</b>	<b>70,07,329.00</b>
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>89,82,035.45</b>	<b>80,07,172.42</b>
X Profit(loss) from discontinued operations		-	-
<b>XI Profit for the Year (VII-VIII)</b>		<b>89,82,035.45</b>	<b>80,07,172.42</b>
<b>XII Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to item that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to item that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the year (IX+X)</b>		<b>89,82,035.45</b>	<b>80,07,172.42</b>
<b>XIII Earnings per Equity Share (Face Value ₹ 1)</b>	41		
(1) Basic (₹)		1.33	1.19
(2) Diluted (₹)		1.33	1.14

**Significant Accounting Policies**

The accompanying notes are an integral part of the Standalone Financial Statements.

For Agarwal Anil & Associates  
Chartered Accountants

  
(Agarwal Anil Kumar)  
M. NO. 071338, Partner



Date : 24.05.2018  
Place : Patna

**Signatures to the Financial Statements**  
For and on behalf of the Board

  
(Managing Director)

  
(Director)

  
(Chief Financial Officer)

  
(Company Secretary)



**DINA IRON & STEEL LIMITED**

CIN NO. 127161BR1992PLC004967

Abdul Rehmanpur Road, Didarganj, Patna City, PATNA - 800 009

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Exceptional Items and Tax	1,47,08,249.12	1,50,14,001.42
Adjustment for:		
Depreciation and amortisation	1,25,37,939.00	1,53,75,022.27
Unrealised Foreign Exchange (Gain) / Loss		
Bad Debts Written off		
Provision / (Write-back) for Doubtful Debts / Advances		
Provision for Non-Moving Inventory		
Write in of Old Balances		
Expenses on Employee Stock Grant Scheme (ESGS)		
Interest Expense & Discounting Charges	3,46,70,078.31	3,99,27,311.97
(Profit) / Loss on Fixed Assets Sold / Discarded (Net)		(1,69,116.00)
(Profit) / Loss on Sale of Investments (Net)		
Reversal of provision for diminution in the value of investments		
Fair value Gain/ (Loss) on financial assets measured at FVTPL		
Recovery of loan from GCPL ESOP Trust which was earlier written off		
Corporate Guarantee Commission		
Interest Income	(54,06,002.00)	(48,31,366.79)
	4,38,02,015.31	4,63,01,851.45
Operating Cash Flows Before Working Capital Changes	5,65,10,264.43	6,13,16,352.87
Adjustments for:		
Inventories	(10,72,16,302.61)	1,74,03,419.41
Trade Receivables	8,87,94,300.81	(5,25,72,774.92)
Loans		24,95,000.00
Other Financial Assets	2,16,32,953.95	(1,08,10,049.72)
Other Non-Financial Assets	21,92,990.41	1,45,99,465.12
Financial Liabilities	(1,40,06,811.65)	2,14,27,952.14
Non - Financial Liabilities and Provisions	(75,91,034.33)	59,31,127.33
	(1,61,93,903.42)	(15,25,860.64)
Cash Generated from Operations	4,03,16,361.01	5,97,90,492.23
Adjustment for:		
Direct Taxes Paid	70,40,519.67	56,37,778.00
<b>Net Cash Flow from Operating Activities</b>	<b>3,32,75,841.34</b>	<b>5,41,52,714.23</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment and Intangibles (Net)	(31,650.00)	(44,24,269.00)
Sale of Property, Plant & Equipment and Intangibles		2,62,849.00
Investments in Mutual Funds (Net)		
Investments in Deposits with NBFCs (Net)		
Other Investments		
Investments in NCD with NBFCs (Net)		
Investments in Fixed Deposits having maturities greater than 3 months (Net)		
Investments in Subsidiaries		
Sale of Subsidiary		
Recovery of Loan by GCPL ESOP Trust which was earlier written off		
Interest Received	54,06,002.00	48,31,366.79
<b>Net Cash (used in) Investing Activities</b>	<b>53,74,352.00</b>	<b>6,70,946.79</b>



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Allotment of Equity Shares under ESOS	-	-
Issue of Debentures (Net of Expenses)	-	-
Redemption of Debentures (including Premium on Redemption)	-	-
(Repayment)/ Proceeds from Packing Credit	-	-
Increase (Decrease) in Short Term / Long Term Borrowing	(30,60,094.93)	(1,95,71,862.38)
Proceeds from Commercial Paper	-	-
Repayment of Cash Credits (Net)	-	-
Interest & Discounting Charges Paid	(3,46,70,078.31)	(3,59,27,311.97)
Dividend Paid	-	-
Dividend Tax Paid	-	-
<b>Net Cash (used in) Financing Activities</b>	<b>(3,77,30,173.24)</b>	<b>(5,54,99,174.35)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>9,20,020.10</b>	<b>(6,75,513.33)</b>
<b>CASH AND CASH EQUIVALENTS:</b>		
As At The Beginning of the year (Refer Note )	2,53,446.00	9,28,959.33
Less: Cash credit	-	-
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	-	-
As At The End of the year (Refer Note )	11,73,466.10	2,53,446.00

**Notes:**

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows.'

**Significant Accounting Policies**

The accompanying notes are an integral part of the Standalone Financial Statements.

For Agarwal Anil & Associates  
Chartered Accountants

  
(Anil Kumar)  
M. NO. 07/338, Partner



Date : 24.05.2018  
Place : Patna

**Signatures to the Financial Statements**  
For and on behalf of the Board

  
(Managing Director)

  
(Chief Financial Officer)

  
(Director)

  
(Company Secretary)

**DINA IRON & STEEL LIMITED**  
 CIN NO. L27101BR1992PLC004967  
 Abdul Rehmanpur Road, Didarganj, Patnacity, PATNA - 800 009

**a) Equity share capital**

As at April 1, 2016	6,90,91,750.00
Changes in equity share capital during the year	
As at March 31, 2017	6,90,91,750.00
Changes in equity share capital during the year	
As at March 31, 2018	6,90,91,750.00

**b) Other equity (Refer Note)**

Particulars	Reserves & Surplus					Total
	Capital Reserve	Securities premium reserve	General reserve	Others	Retained Earnings	
Balance at April 1, 2016	96,24,258.33				7,87,69,687.33	
Changes in accounting policy / prior period errors						
Estimated balance at the beginning of the reporting period	96,24,258.33				7,87,69,687.33	
Profit for the year					80,07,172.42	
Change in Fair Value of Equity Investments						8,83,93,945.66
Total comprehensive income for the year					80,07,172.42	8,83,93,945.66
(provision transfer for Fixed assets (Name of the assets to be specified)					80,07,172.42	
Continued operations						
Use of Share capital						
Issue of Share options						
Deferred employee compensation expense						
Transaction costs						
Dividends						
Non-cash distributions to Owners						
Dividend Distribution Tax (DDT)						
Provision of a Subsidiary						
Provision of a Non-controlling Interest (NCI)						
Other charge (to be specified)						
Transfer from / (to) Debenture Redemption Reserve						
Surplus Received on Allotment of Shares						
Balance at March 31, 2017	96,24,258.33				8,67,76,859.75	
						9,64,01,118.08



Changes in accounting policy / prior period errors								
Restated balance at the beginning of the reporting period	96,24,258.33							
Profit for the year								
Remeasurements of defined benefit plans								
Other comprehensive income for the year								
<b>Total comprehensive income for the year</b>								9,64,01,118.08
Depreciation transfer for Fixed assets (Name of the assets to be specified) [Note XX]								
Discontinued operations [Note XX]								
Issue of Share capital [Note XX]								
Exercise of Share options [Note XX]								
Share-based payments [Note XX]								
Transaction costs [Note XX]								
Cash dividends								
Non-cash distributions to Owners								
Dividend Distribution Tax (DDT)								
Acquisition of a Subsidiary								
Exercise of Share options								
Deferred employee compensation expense								
Premium Received on Allotment of Shares								
Any other charge (to be specified)								
Dividends								
<b>Balance at March 31, 2018</b>	<b>96,24,258.33</b>						<b>9,57,58,895.20</b>	<b>10,53,83,153.53</b>

Signatures to the Financial Statements  
For and on behalf of the Board

*(Signature)*  
(Managing Director)

*(Signature)*  
(Director)

*(Signature)*  
(Chief Financial Officer)

(Company Secretary)



Mr. Agarwal Anil & Associates  
Chartered Accountants

*(Signature)*  
NO. 07/18, Partur

dt: 24.05.2018  
cc: Patna

The accompanying notes are an integral part of the Standalone Financial Statements.

**DINA IRON & STEEL LIMITED**

CIN NO: L27101RJ1992PLC004967

Abdul Rehmanpur Road, Dindarpani, Paimanay, PATNA - 800 009

**NOTE 1: PROPERTY, PLANT AND EQUIPMENT**

ASSET	GROSS CARRYING VALUE		ACCUMULATED DEPRECIATION			NET CARRYING VALUE			
	As on 01-Apr-17	Additions	Deductions	As on 31-Mar-18	Upto 01-Apr-17	For the Year	Upto 31-Mar-18	As on 31-Mar-18	As on 31-Mar-17
Tangible Assets:									
Freehold Land	81,50,790.00	-	-	81,50,790.00	-	-	-	81,50,790.00	81,50,790.00
Leasehold Land	-	-	-	-	-	-	-	-	-
Factory Buildings	1,30,85,730.00	-	-	1,30,85,730.00	1,03,39,935.00	3,26,921.00	1,05,66,856.00	25,18,873.10	27,45,794.10
Plant and Machinery	9,75,69,170.13	-	-	9,75,69,170.13	3,57,47,804.65	79,87,422.00	6,57,30,226.65	3,38,38,943.48	4,18,26,361.48
Electric Installation	1,86,24,174.20	-	-	1,86,24,174.20	82,87,166.63	26,97,875.00	1,09,65,041.43	76,59,132.37	1,03,57,007.37
Misc. Fixed Assets	68,76,500.00	-	-	68,76,500.00	22,61,171.06	8,40,368.00	31,02,039.06	37,74,540.91	46,13,408.91
Office Equipment	1,37,455.00	-	-	1,37,455.00	1,30,582.00	-	1,30,582.00	6,873.00	6,873.00
Computers	-	31,650.00	-	31,650.00	-	13,692.00	13,692.00	17,958.00	-
Vehicles	72,86,157.01	-	-	72,86,157.01	46,67,792.12	7,71,161.00	54,38,011.12	18,47,243.89	26,18,464.80
Less Under Finance Lease									
<b>TOTAL</b>	15,17,30,656.34	31,650.00	-	15,17,61,706.34	8,14,09,412.39	1,25,37,939.00	9,79,47,351.39	5,78,14,354.95	7,03,20,643.95
Previous Year	14,83,03,404.34	44,24,269.00	9,97,697.00	15,17,30,036.34	6,69,37,354.12	1,53,75,023.37	8,14,09,412.39	7,03,20,643.95	8,73,66,130.22



**DINA IRON & STEEL LIMITED**

CEN NO: L27101881992PLCO00967

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

**NOTE 1: PROPERTY, PLANT AND EQUIPMENT**

ASSET	GROSS CARRYING VALUE			ACCUMULATED DEPRECIATION			NET CARRYING VALUE	
	Deemed Cost as at 01-Apr-16	Additions	As on 31-Mar-17	Upto 01-Mar-16	For the Year	On Depreciations	As on 31-Mar-17	As on 31-Mar-16
Intangible Assets:								
Freehold Land	81,50,790.00	-	81,50,790.00	-	-	-	-	81,50,790.00
Leasehold Land	-	-	-	-	-	-	-	-
Factory Buildings	1,30,85,730.00	-	1,30,85,730.00	1,00,92,508.90	2,47,627.00	-	1,03,39,035.90	29,93,421.10
Plant and Machinery	9,75,69,170.13	-	9,75,69,170.13	4,38,15,899.72	99,26,904.93	-	5,57,42,804.65	4,18,26,365.48
Electric Installation	1,45,26,112.20	30,98,060.00	1,86,24,174.20	48,63,774.29	34,03,392.34	-	82,67,166.63	1,05,57,097.57
Misc. Fixed Assets	68,76,580.09	-	68,76,580.09	12,32,544.09	10,38,627.00	-	22,61,171.09	46,15,408.91
Office Equipment	1,37,455.00	-	1,37,455.00	1,30,582.00	-	-	1,30,582.00	6,873.00
Computers	-	-	-	-	-	-	-	-
Vehicles	69,37,647.01	13,26,207.00	82,63,854.01	48,02,245.12	7,68,471.00	9,02,964.00	46,67,752.12	26,18,404.89
sets Under Finance Lease	-	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>14,83,03,484.34</b>	<b>44,24,269.00</b>	<b>15,17,30,056.34</b>	<b>5,69,37,354.12</b>	<b>1,53,75,022.27</b>	<b>9,02,964.00</b>	<b>8,14,09,412.39</b>	<b>7,03,20,643.95</b>
Previous Year	8,76,79,837.10	6,12,14,897.53	14,83,03,484.34	5,64,46,133.33	7,09,46,771.74	4,34,232.97	6,09,37,454.12	8,13,66,130.22
								7,12,33,701.75

The Company has waived the deemed cost exemption in relation to the property, plant and equipment on the date of transition and hence the net carrying amount has been considered as the gross carrying amount on that date. Refer note below for the gross carrying value and accumulated depreciation as on January 1, 2016 under the previous GAAP.



**DINA IRON & STEEL LIMITED**

CIN NO. L27101BIL1992PL20004967

Abdul Rahimnagar Road, Dazangani, Patna, PATNA - 800 009

**OTE 1: PROPERTY, PLANT AND EQUIPMENT**

ASSET	Gross Carrying Value As On 01-Apr-15	Accumulated Depreciation Till 01-Apr-16	Net Book Value As Deemed Cost Upon Transition
Leasehold Land	81,50,790.00	-	81,50,790.00
Factory Buildings	1,30,85,730.00	1,21,92,308.90	29,93,421.10
Plant and Machinery	9,75,69,170.13	4,58,15,899.72	3,17,53,270.41
Electric Installation	1,55,26,112.20	8,63,774.29	1,06,62,337.91
Misc. Fixed Assets	68,76,580.00	12,32,544.09	56,44,035.91
Office Equipment	1,37,855.00	1,36,882.00	6,873.00
Vehicles	69,57,667.01	48,02,545.12	21,55,121.89
Leases Under Finance Lease			
<b>TOTAL</b>	<b>14,83,03,484.34</b>	<b>6,69,37,384.12</b>	<b>8,13,66,100.22</b>



**DINA IRON & STEEL LIMITED**  
 C/O NO. 127/100/200/PATNA-87  
 Abid Rahmanpur Road, Dibrugarh, Pinacode, PATNA - 801 009

**E.I. PROPERTY, PLANT AND EQUIPMENT**

Particulars	Original Assets										Total	
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Powerline and Poles	Vehicles	Office Equipment	Computers	Assets held under lease - Building		
Cost at 31.03.2016	81,50,790.00	-	1,30,45,332.00	-	12,10,09,924.33	-	72,86,137.01	1,27,455.00	-	-	-	15,17,20,068.34
Less: Accumulated Depreciation	-	-	-	-	-	-	-	-	31,692.00	-	-	31,692.00
Net carrying amount	81,50,790.00	-	1,30,45,332.00	-	12,10,09,924.33	-	72,86,137.01	1,27,455.00	31,692.00	-	-	15,17,20,068.34
Cost at 31.03.2017	-	-	1,09,39,053.96	-	6,62,71,142.37	-	46,81,792.12	1,31,982.00	-	-	-	8,14,69,412.38
Less: Accumulated Depreciation	-	-	-	-	-	-	1,71,141.00	-	13,692.00	-	-	1,35,37,938.00
Net carrying amount	-	-	1,09,39,053.96	-	6,62,71,142.37	-	45,10,651.12	1,31,982.00	13,692.00	-	-	8,14,69,412.38
Cost at 31.03.2018	-	-	25,18,873.10	-	4,50,77,616.98	-	18,47,243.83	6,873.89	17,958.00	-	-	5,39,47,281.78
Less: Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	5,39,47,281.78
Net carrying amount	-	-	25,18,873.10	-	4,50,77,616.98	-	18,47,243.83	6,873.89	17,958.00	-	-	5,39,47,281.78
Cost at 31.03.2019	81,50,790.00	-	1,30,45,332.00	-	12,10,09,924.33	-	72,86,137.01	1,27,455.00	-	-	-	15,17,20,068.34
Less: Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	15,17,20,068.34
Net carrying amount	81,50,790.00	-	1,30,45,332.00	-	12,10,09,924.33	-	72,86,137.01	1,27,455.00	-	-	-	15,17,20,068.34
Cost at 31.03.2020	81,50,790.00	-	1,30,45,332.00	-	12,10,09,924.33	-	72,86,137.01	1,27,455.00	-	-	-	15,17,20,068.34
Less: Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	15,17,20,068.34
Net carrying amount	81,50,790.00	-	1,30,45,332.00	-	12,10,09,924.33	-	72,86,137.01	1,27,455.00	-	-	-	15,17,20,068.34

Company has availed the deemed cost exemption in relation to the property, plant and equipment on the date of transfer and hence the net carrying amount has been credited as the gross carrying amount on this date. Refer note below for the gross carrying value and accumulated depreciation as on April 1, 2016 under the Group.

2017-18 on 1 April 2016

Particulars	Original Assets										Total	
	Freehold Land	Leasehold Land	Buildings	Leasehold Improvements	Plant and Equipment	Powerline and Poles	Vehicles	Office Equipment	Computers	Assets held under lease - Building		
Cost at 1 April 2016	81,50,790.00	-	1,30,45,332.00	-	11,99,71,842.33	-	69,37,647.01	1,27,455.00	-	-	-	14,83,03,484.34
Less: Deemed cost exemption	-	-	-	-	5,18,12,218.10	-	46,02,245.12	-	-	-	-	6,49,33,544.12
Net carrying amount	81,50,790.00	-	1,30,45,332.00	-	6,81,59,624.23	-	23,35,401.89	1,27,455.00	-	-	-	8,33,69,940.22







## DINA IRON & STEEL LIMITED

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### NOTE 4: TRADE RECEIVABLES (NON-CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Secured</i>			
Considered Good			
Considered Doubtful			
Less: Allowance for Bad and Doubtful Debts	-	-	-
<i>Unsecured</i>			
Considered Good			
Considered Doubtful			
Less: Allowance for Bad and Doubtful Debts	-	-	-
<b>TOTAL</b>	-	-	-

### NOTE 5: LOANS (NON-CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unsecured, Considered Good, Unless Otherwise Stated</i>			
Security Deposits			
Considered Good			
Considered Doubtful			
Less: Allowance for Doubtful Advances	-	-	-
Loans and Advances to Related Parties [Refer note XX]			
Loans to Employees			
Loans to Employees Benefit Trust [Refer note XX]			
Other Loans and Advances (Specify nature)			
Receivable from related parties			
<b>TOTAL</b>	-	-	-

### NOTE 6: OTHERS (NON-CURRENT FINANCIAL ASSETS)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Bank Deposits with maturity of more than 12 months (under lien against Bank Guarantees)			
Deposit for margin money with banks			
Derivative Assets			
Financial guarantee fee receivable			
Other non-current assets			
<b>TOTAL</b>	-	-	-



**NOTE 7: OTHER NON-CURRENT ASSETS**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Advances (Refer Note below)			
Loans and Advances to Related Parties [Refer note XX]			
Security Deposits			
Considered Good	5,51,37,572.57	5,51,37,572.57	5,51,37,572.57
Considered Doubtful	-	-	-
Less: Allowance for Doubtful Advances	-	-	-
Balances with Government Authorities	5,51,37,572.57	5,51,37,572.57	5,51,37,572.57
Considered Good	-	-	-
Considered Doubtful	-	-	-
Less: Provision for Doubtful Advances	-	-	-
Other Non-Current Assets			
Considered Good	20,00,000.00	20,00,000.00	20,00,000.00
Considered Doubtful	-	-	-
Less: Provision for Doubtful Advances	-	-	-
	20,00,000.00	20,00,000.00	20,00,000.00
<b>TOTAL</b>	<b>5,71,37,572.57</b>	<b>5,71,37,572.57</b>	<b>5,71,37,572.57</b>

**NOTE 8: NON-CURRENT TAX ASSETS (NET)**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax			
<b>TOTAL</b>	-	-	-

(Refer Note 24 for tax reconciliations)

**NOTE 9: INVENTORIES**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>(Valued at lower of cost or net realizable value)</i>			
Raw Materials (Including Packing Materials)			
Sponge Iron	4,25,65,433.00	1,56,25,390.00	5,60,10,069.23
Duty Paid Scrap	18,64,006.00	26,35,541.00	1,07,69,762.17
Non-Duty Paid Scrap	6,88,338.00	19,08,953.00	17,59,708.38
Ferro Alloys	33,96,893.00	53,65,427.00	23,97,928.51
Goods-in Transit	4,85,14,670.00	5,55,35,311.00	7,09,37,468.28
Work-in-Progress			
Finished Goods			
M.S. Billet	91,66,815.00	2,07,75,398.00	54,45,281.00
M.S. Bars & Rods	15,17,63,400.00	4,04,79,480.00	3,50,76,544.00
Wire Rod	1,95,69,240.00	71,34,750.00	1,87,27,959.00
Waste & Scrap	1,72,500.00	18,720.00	1,988.00
Less: Provision for obsolete inventory			
Net			
Goods-in Transit	18,06,71,955.00	6,84,08,348.00	5,92,51,772.00
Stock-in-Trade			
Consumables	18,06,71,955.00	6,84,08,348.00	5,92,51,772.00
Loose Tools			
Stores And Spares			

**DINA IRON & STEEL LIMITED**

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**NOTE 10: INVESTMENTS (CURRENT)**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unquoted, fully paid up:</i>			
<i>At Fair Value through OCI</i>			
Investments in Equity Shares	-	-	-
<i>At amortised cost</i>			
Investments in Deposits with Non-Banking Financial Companies	-	-	-
<i>Quoted, fully paid up:</i>			
<i>At Fair Value through OCI</i>			
Investments in Equity Shares	-	-	-
<b>TOTAL</b>	-	-	-
Aggregate Amount of Quoted Investments	-	-	-
Aggregate Amount of Unquoted Investments	-	-	-
Aggregate Market Value of Quoted Investments	-	-	-
Aggregate Provision for Impairment in the Value of Investments	-	-	-

**NOTE 11: TRADE RECEIVABLES**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Over Six Months</b>			
Secured considered Good			
Unsecured considered good	94,07,631.00	1,22,76,916.00	1,56,40,689.81
Less: Allowance for Bad and Doubtful Debts	-	-	-
<b>Below Six Months</b>			
Secured considered Good			
Unsecured considered good	23,21,74,250.68	31,80,99,266.49	26,21,62,717.76
Less: Provision for discount on Debtors	-	-	-
<b>Considered Doubtful</b>			
Less: Allowance for Bad and Doubtful Debts	23,21,74,250.68	31,80,99,266.49	26,21,62,717.76
	23,21,74,250.68	31,80,99,266.49	26,21,62,717.76
<b>TOTAL</b>	24,15,81,881.68	33,03,76,182.49	27,78,03,407.57

**NOTE 12 A: CASH AND CASH EQUIVALENTS**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with Banks			
- In Current Accounts			
- In Cash Credit Accounts	12,420.10	-	1,13,865.66
- Deposits with less than 3 months original maturity	-	-	5,391.20
Cheques, Drafts on Hand	12,420.10	-	1,19,256.86
Cash on Hand	11,61,046.00	2,53,446.00	8,09,702.47
Investments in Liquid Mutual Funds	-	-	-
<b>TOTAL</b>	11,73,466.10	2,53,446.00	9,28,959.33

**NOTE 12 B: BANK BALANCES OTHER THAN (III) ABOVE**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
In Unpaid Dividend Accounts	-	-	-
held as Margin money	-	-	-
held as Security against borrowings	-	-	-
Deposits with maturities more than 3 months but less than 12 months (Refer Note (a))	-	-	-
Deposits under lien against Bank Guarantees	-	-	-
held against Other Commitments	-	-	-
Deposits For Margin Money With Banks	-	-	-

**NOTE 13: LOANS CURRENT**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unsecured, Considered Good, Unless Otherwise Stated</i>			
Security Deposits			
Loans to Employees			
Loans and Advances to Related Parties			
Loans to Employees Benefit Trust			
Other Loans and Advances	1,55,00,000.00	1,55,00,000.00	1,79,95,000.00
	1,55,00,000.00	1,55,00,000.00	1,79,95,000.00
Unsecured, considered doubtful			
Other Loans			
Less: Provision for doubtful advances			
<b>TOTAL</b>	<b>1,55,00,000.00</b>	<b>1,55,00,000.00</b>	<b>1,79,95,000.00</b>

**NOTE 14: OTHERS CURRENT FINANCIAL ASSETS**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Exports Benefits Receivable			
Derivative asset			
Advances to Employees			
Advances to Creditors	1,03,50,872.84	3,19,83,826.79	2,11,73,777.07
Financial guarantee fee receivable			
<b>TOTAL</b>	<b>1,03,50,872.84</b>	<b>3,19,83,826.79</b>	<b>2,11,73,777.07</b>

**NOTE 15: CURRENT TAX ASSETS (NET)**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax			
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTE 16: OTHER CURRENT ASSETS**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Loans and Advances to Related Parties			
Balances with Government authorities			
Duties and Taxes	1,91,164.00	23,86,474.41	1,58,17,907.06
Prepaid expenses			
Other Advances			
Considered Good	1,62,234.00	1,59,914.00	3,27,946.47
Considered Doubtful			
Less: Provision for Doubtful Advances			
<b>TOTAL</b>	<b>3,53,398.00</b>	<b>25,46,388.41</b>	<b>1,71,45,853.53</b>

**NOTE 17: NON CURRENT ASSETS HELD FOR SALE**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Vehicles held for sale			
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**NOTE 18: EQUITY SHARE CAPITAL.**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorised</b>			
No. of Equity Shares (9500000) of Rs. 10 each fully paid	9,50,00,000.00	9,50,00,000.00	9,50,00,000.00
<b>Issued</b>			
No. of Equity Shares (6819500) of Rs. 10 each fully paid	6,81,95,000.00	6,81,95,000.00	6,81,95,000.00
<b>Subscribed and Fully Paid up</b>			
No. of Equity Shares (6819500) of Rs. 10 each fully paid	6,81,95,000.00	6,81,95,000.00	6,81,95,000.00
Less : Allotment Money Due	8,96,750.00	8,96,750.00	8,96,750.00
<b>TOTAL</b>	<b>6,72,98,250.00</b>	<b>6,72,98,250.00</b>	<b>6,72,98,250.00</b>

**NOTES:**

- a) The reconciliation of number of equity shares outstanding and the amount of share capital at the beginning and at the end of the reporting period
- b) Out of total paid-up capital, Rs. 896750 of allotment money has not been received by the company till date.

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	68,19,500.00	6,72,98,250.00	68,19,500.00	6,72,98,250.00	68,19,500.00	6,72,98,250.00
Add : Shares issued during the year	-	-	-	-	-	-
Less : Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	68,19,500.00	6,72,98,250.00	68,19,500.00	6,72,98,250.00	68,19,500.00	6,72,98,250.00

**b) Terms / rights attached to equity shares:**

The Company has issued only one class of equity shares having a par value of ₹ 10 each. Each equity shareholder is entitled to one vote per share.

**c) Shares held by Holding Company and Subsidiary of Holding Company and details of shareholders holding more than 5% shares in the Company:**

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Sanjay Bhartiya	5,04,100	7.39	5,04,100	7.39	5,04,100	7.39
Vijay Bhartiya	6,52,600	9.57	6,52,600	9.57	6,52,600	9.57



**NOTE 19: OTHER EQUITY**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Securities Premium Reserve			
General Reserve			
<b>Other Reserves</b>			
Capital Reserve	96,24,258.33	96,24,258.33	96,24,258.33
Debtore Redemption Reserve			
Capital Investment Subsidy Reserve			
Investment All Rs. utilization A/C			
Deferred Employee Compensation Expense			
	96,24,258.33	96,24,258.33	96,24,258.33
Retained Earnings	9,57,58,895.20	8,67,76,859.75	7,87,69,687.33
Other Comprehensive Income (Remeasurements of defined benefit plans)			
	<b>10,53,83,153.53</b>	<b>9,64,01,118.08</b>	<b>8,83,93,945.66</b>

**OTHER RESERVES MOVEMENT**

	As at March 31, 2018	As at March 31, 2017
<b>Capital Reserve</b>		
Balance as per last financial statements	96,24,258.33	96,24,258.33
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance	<b>96,24,258.33</b>	<b>96,24,258.33</b>
<b>Debtore Redemption Reserve</b>		
Balance as per last financial statements		
(+) Transfer from General Reserve		
(-) Transfer to retained earnings		
(-) Transfer to General Reserve		
(-) Transfer to Surplus		
Closing Balance		
<b>Capital Investment Subsidy Reserve</b>		
Balance as per last financial statements		
(+) Current Year Transfer		
(-) Written Back in Current Year		
Closing Balance		
<b>Investment All Rs. utilization A/C</b>		
Gross Employee Compensation for Options granted		
(-) Exercise of Share options		
(+) Deferred Employee Compensation Expense		
Closing Balance		
<b>Other Comprehensive Income</b>		
Effective portion of Cash Flow Hedges		
Remeasurements of the net defined benefit Plans		
<b>TOTAL</b>	<b>96,24,258.33</b>	<b>96,24,258.33</b>



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NOTE 20: BORROWINGS (NON CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>A. Secured</b>			
<b>Term Loans</b>			
from Banks			
Term Loan from Punjab National Bank, Patna <i>[Repayment Term: Monthly installment of Rs. 3.00 Lacs from Jan 2016]</i> <i>[Secured by way of Mortgage and First charge over entire assets]</i> <i>[Personal Guarantee of Directors and others]</i>	78,90,533.35	1,16,44,540.65	1,52,82,075.00
Car Loan from HDFC Bank, Patna <i>[Repayment Term: Monthly installment of Rs. 38,361 from Jan 2016]</i> <i>[Secured by first charge on the vehicle and Guarantee of Directors &amp; others]</i>	-	3,32,024.51	6,22,832.00
	78,90,533.35	1,19,76,565.16	1,59,04,907.00
<b>B. Unsecured</b>			
<b>Term Loans</b>			
from Banks			
from Other Parties	8,72,32,464.66	8,51,11,132.20	9,93,14,232.20
1. Period of default	No	No	No
2. Amount	Nil	Nil	Nil
	8,72,32,464.66	8,51,11,132.20	9,93,14,232.20
<b>TOTAL</b>	<b>9,51,22,998.01</b>	<b>9,70,87,697.36</b>	<b>11,52,19,139.20</b>

NOTE 21: TRADE PAYABLES (NON CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Dues to Micro, Small and Medium Enterprises			
Others			
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>

NOTE 22: OTHER FINANCIAL LIABILITIES (NON CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security Deposits			
Financial Guarantee Contracts	47,00,200.00	47,00,200.00	28,00,000.00
Contractual Reimbursable Expenses			
Others			
<b>TOTAL</b>	<b>47,00,200.00</b>	<b>47,00,200.00</b>	<b>28,00,000.00</b>

NOTE 23: PROVISIONS (NON CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Employee Benefits			
Superannuation (unfunded)			
Gratuity (unfunded)			
Compensated Absences			
ESOP / ESOS			
Service warranties			
Legal claim			
Restructuring costs			
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>





**NOTE 24: DEFERRED TAX LIABILITIES (NET)**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Deferred Tax Liability</b>			
a) Property, Plant & Equipment and Intangibles	1,44,356.00	14,58,663.00	89,111.00
<b>Deferred Tax Assets</b>			
a) Tax Disallowances	-	-	-
b) Provision for Doubtful Debts and Advances	-	-	-
c) Others	-	-	-
d) Mat Credit Entitlements	-	-	-
<b>TOTAL</b>	<b>1,44,356.00</b>	<b>14,58,663.00</b>	<b>89,111.00</b>

**NOTE 25: OTHER NON-CURRENT LIABILITIES**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unearned premium on guarantees given to subsidiaries			
Others			
<b>TOTAL</b>			

**NOTE 26: BORROWINGS (CURRENT)**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Secured</b>			
Loans Repayable on Demand			
Packing Credit from Bank			
<b>Cash Credit from Bank</b>			
Cash Credit from Punjab National Bank, Patna	26,29,39,888.02	26,33,84,217.30	25,45,87,813.70
Cash Credit from Punjab National Bank, Patna	92,10,096.66	98,61,163.86	1,00,97,968.00
[Secured by first charge by way of Hypothecation of stock and receivables, Guarantee of Directors & Others]			
From Other Parties			
<b>Unsecured</b>			
<b>TOTAL</b>	<b>27,21,49,985.58</b>	<b>27,32,45,381.16</b>	<b>27,46,85,801.70</b>

**NOTE 27: TRADE PAYABLES**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Others</b>			
For Goods	1,08,88,256.27	2,10,39,355.91	1,74,73,689.62
For Capital Goods and Capital Expenses			60,594.07
For Expenses	14,94,518.10	2,59,696.00	73,15,282.00
<b>TOTAL</b>	<b>1,23,82,774.37</b>	<b>2,13,19,551.91</b>	<b>1,98,49,565.69</b>

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.



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### NOTE 28: OTHER FINANCIAL LIABILITIES (CURRENT)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current Maturities of Long Term Debt:			
Term Loan Installment	39,32,024.51	40,07,728.93	40,60,332.00
Interest Accrued but not Due on Borrowings	-	-	-
Interest Accrued and Due on Borrowings	1,12,745.00	1,63,571.00	2,28,994.97
Interest accrued under MSMED Act, 2005	-	-	-
Interim Dividend Payable	-	-	-
Tax on Interim Dividend	-	-	-
Payable for Retention money	-	-	-
Accrual for Expenses	3,85,96,030.08	3,55,13,341.08	3,34,18,307.35
Other financial liabilities	-	-	-
<b>TOTAL</b>	<b>4,26,40,799.59</b>	<b>3,96,84,641.01</b>	<b>3,77,07,634.32</b>

### NOTE 29: OTHER CURRENT LIABILITIES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory Dues (VAT, Excise, Service Tax, Octroi, etc)	89,60,661.04	8,74,230.00	5,32,356.00
Advance received from Customers	1,39,20,670.50	3,00,33,274.23	1,23,94,209.00
Provision for expenses	-	-	-
Others	-	-	-
<b>TOTAL</b>	<b>2,28,81,331.54</b>	<b>3,09,07,524.23</b>	<b>1,29,26,565.00</b>

### NOTE 30: CURRENT PROVISIONS

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Provision for Employee Benefits</b>			
Salary	25,000.00	23,000.00	20,000.00
Bonus	4,24,246.00	3,90,460.00	3,57,540.00
EPF	99,451.00	1,08,667.00	78,605.00
ESI	25,764.00	28,817.00	19,981.00
<b>Other provisions :</b>			
Provision for Excise Duty on Closing Stock	-	76,00,928.00	65,83,530.00
<b>TOTAL</b>	<b>5,74,461.00</b>	<b>81,51,872.00</b>	<b>70,59,656.00</b>

### NOTE 31: LIABILITIES FOR CURRENT TAX(NET)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Tax	61,79,200.00	51,32,700.00	22,75,400.00
Less: taxes paid	15,43,260.00	4,83,136.67	5,64,548.00
Provision for Tax (net of taxes paid)	46,35,940.00	46,49,563.33	17,10,852.00
<b>TOTAL</b>	<b>46,35,940.00</b>	<b>46,49,563.33</b>	<b>17,10,852.00</b>

#REF!



**DINA IRON & STEEL LIMITED**  
**CIN NO. L27101BR1992PLC004967**  
 Abdul Rehmanpur Road, Didarganj, Patnacity, PATNA - 800 009

**NOTE 32: REVENUE FROM OPERATIONS**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Indigenous Sales</b>		
Sale of Products (including excise duty)		
Manufactured Goods	1,77,03,81,379	1,60,97,23,216
Traded Goods		
<b>Export Sales</b>		
Manufactured Goods		
Traded Goods		
Sale of Services		
Other Operating Revenues		
VAT Reimbursement	1,97,14,933.00	6,34,92,369.00
<b>TOTAL</b>	<b>1,79,00,96,312</b>	<b>1,67,32,15,585</b>

**NOTE 33: OTHER INCOME**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Interest Income on:</b>		
On Investments		
Deposits with banks		
Advances and Deposits		
On Loan to ESOP Trust		
On Income-tax Refund		
On financial assets at amortised cost		
On Others	54,06,002.00	48,31,366.79
<b>Dividend Income</b>		
From Subsidiaries		
From Others		
Net Gain on Sale of Investments		
Fair Value Gain on financial assets measured at fair value through profit or loss		
Reversal of provision for diminution in investments		
<b>Other Non-Operating Income</b>		
Net Gain on Foreign Currency Transactions and Translations		
Profit on Sale of Fixed Assets (net)		1,69,116.00
Lease rentals		
Commission Income		
Miscellaneous Non-operating Income		
<b>TOTAL</b>	<b>54,06,002.00</b>	<b>50,00,482.79</b>

**NOTE 34: COST OF MATERIALS CONSUMED**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Raw Materials' Consumption</b>		
Stock at Commencement	5,55,35,311.00	7,09,37,468.28
Add: Purchases	1,32,26,20,690.36	99,34,27,254.41
	1,37,81,56,001.36	1,06,45,64,722.71
Less: Stock at Close	4,85,14,670.00	5,55,35,311.00
	1,32,96,41,331.36	1,00,88,29,411.71
<b>Stores Spares Consumption</b>		
Stock at Commencement	1,08,42,741.87	2,20,00,580.00
Add: Purchases	5,64,21,195.33	4,34,36,752.85
	6,72,63,937.20	6,54,37,332.85
Less: Stock at Close	1,28,16,378.48	1,08,42,741.87
	5,44,47,558.72	5,45,94,590.98
<b>Cost of Materials Consumed</b>	<b>1,38,40,89,190.08</b>	<b>1,06,34,24,002.69</b>



**NOTE 35: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS**

	Year ended March 31, 2018	Year ended March 31, 2017
Opening Inventory		
Finished Goods	6,84,08,348.00	5,92,51,772.00
Stock-in-Trade	-	-
Work-in-Progress	-	-
	6,84,08,348.00	5,92,51,772.00
Less: Closing Inventory		
Finished Goods	18,06,71,955.00	6,84,08,348.00
Stock-in-Trade	-	-
Work-in-Progress	-	-
	18,06,71,955.00	6,84,08,348.00
<b>(Increase) in Inventories</b>	<b>TOTAL (11,22,63,607.00)</b>	<b>(91,56,576.00)</b>

**NOTE 36: EMPLOYEE BENEFITS EXPENSE**

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries, Wages, Bonus etc.	55,99,790.00	53,52,241.00
Contribution to Provident fund	6,29,427.64	6,27,666.00
Contribution to E.S.I.	2,31,379.00	2,22,603.00
Workmen and Staff Welfare Expenses	4,06,544.00	3,52,473.00
<b>TOTAL</b>	<b>68,67,140.64</b>	<b>65,54,983.00</b>

**NOTE 37: FINANCE COSTS**

		Year ended March 31, 2018	Year ended March 31, 2017
A) Interest Expense			
Interest on Debentures	-	-	-
Interest on Bonds	-	-	-
Unwinding of Interest on Liabilities	-	-	-
Finance Charges on Finance Leases	-	-	-
Interest and charges on Borrowings	3,04,46,897.81		3,28,13,897.97
Interest on Unsecured Loans	42,23,180.50		31,13,414.00
		3,46,70,078.31	3,59,27,311.97
B) Dividend on Redeemable Preference Shares		-	-
C) Exchange difference Regarded as an adjustment to borrowing costs		-	-
D) Other Borrowing Costs		-	-
<b>TOTAL</b>		<b>3,46,70,078.31</b>	<b>3,59,27,311.97</b>

**NOTE 38: DEPRECIATION AND AMORTIZATION EXPENSE**

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment	1,25,37,939.00	1,53,75,022.27
Amortisation of intangible assets	-	-
<b>TOTAL</b>	<b>1,25,37,939.00</b>	<b>1,53,75,022.27</b>



**NOTE 39: OTHER EXPENSES**

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Other Manufacturing Expenses</b>		
CST	71,61,325.52	2,17,64,736.99
Gas Consumed	5,08,140.00	3,04,000.00
Repair and Renewal to Plant and Machinery	2,96,652.00	59,320.00
Power & Fuel	38,09,19,481.00	33,85,41,056.00
	<b>38,88,85,598.52</b>	<b>36,06,69,312.99</b>
<b>Sales and Administration Expenses</b>		
Advertisement	-	5,000.00
Commission Expenses	14,77,673.00	2,73,364.00
Director's Remuneration	12,00,000.00	12,00,000.00
Fees Rates & Taxes	86,31,478.27	76,16,505.00
General Expenses	2,69,000.00	1,44,519.80
Insurance	1,82,835.00	1,34,325.24
Interest Others	2,89,346.23	99,827.00
Lease Rent	47,088.00	47,088.00
Office Rent	4,32,000.00	3,67,650.00
Printing and Stationery	46,790.00	38,470.00
Business Promotion	50,63,068.80	-
Round Off	977.17	39.63
Swachh Bharat Cess	34,910.92	1,23,260.73
Krishi Kalyan Cess	34,348.92	1,06,532.70
Telephone Expenses	1,84,540.73	2,24,911.00
Travelling & Conveyance Expense	76,031.00	21,780.00
Postage & Telegram	8,460.00	6,702.00
Vehicle Expenses	49,090.02	41,450.00
Secretarial Audit Fee	7,500.00	7,500.00
Internal Audit Fee	10,000.00	10,000.00
VAT Audit Fees	7,500.00	7,500.00
Audit Fee	57,000.00	57,000.00
	<b>1,81,10,138.06</b>	<b>1,05,33,425.10</b>
<b>TOTAL</b>	<b>40,69,95,736.58</b>	<b>37,12,02,738.09</b>

**NOTE 40: EXCEPTIONAL ITEMS**

	Year ended March 31, 2018	Year ended March 31, 2017
Interest Income		
<b>TOTAL</b>		

**NOTE 41: EARNINGS PER SHARE**

	As at March 31, 2018	As at March 31, 2017
<b>Net Profit After Tax</b>	<b>89,82,035</b>	<b>80,07,172</b>
Number of Shares outstanding at the beginning of the year	68,19,500	68,19,500
Add : Shares issued during the year	-	-
Less : Shares bought back during the year	-	-
Number of Shares outstanding at the end of the year	68,19,500	68,19,500
<b>Weighted Average Number of Equity Shares</b>		
For calculating Basic EPS	67,29,825	67,29,825
<b>Effect of dilution:</b>		
Share based payments	-	-
For calculating Diluted EPS	-	-
<b>Earnings Per Share Before and After Extraordinary Items</b> (Face Value '1)		
Basic (₹)	1.33	1.19
Diluted (₹)	1.33	1.19



**DINA IRON & STEEL LIMITED**

CIN NO. L27101BR1992PLC004967  
 Abdul Rehmanpur Road, Didarganj, Patna-800 009

**E 24: TAX RECONCILIATIONS**

The income tax expense consists of the following:

	Year ended March 31, 2018	Year ended March 31, 2017
<b>Current Tax:</b>		
Current tax on profits for the year	61,79,200.00	51,32,700.00
Adjustments for current tax of prior periods	8,61,319.67	5,05,078.00
Total current tax expense	70,40,519.67	56,37,778.00
<b>Deferred Tax:</b>		
Decrease/ (increase) in deferred tax assets	(13,14,306.00)	13,69,551.00
Decrease/ increase in deferred tax liabilities	(13,14,306.00)	13,69,551.00
Deferred tax (net)	57,26,213.67	70,07,329.00
Total income tax expense		

Current tax and Deferred Tax related to items recognised in Other Comprehensive Income during the year:

	Year ended March 31, 2018	Year ended March 31, 2017
Net (gain) / loss on remeasurements of defined benefit plans		
Net (gain) / loss on revaluation of cash flow hedges		
<b>Total</b>		



Reconciliation of tax expense and the accounting profit  
 The reconciliation between estimated income tax expense at statutory income tax rates into income tax expense reported in statement of  
 profit & Loss is given below:

	Year ended March 31, 2018	Year ended March 31, 2017
profit before income taxes	1,47,08,249.12	1,50,14,501.42
Indian statutory income tax rate (including Education cess & SurchARGE)	33.06%	33.06%
Expected income tax expense	48,62,547.16	49,63,794.17
as effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Deduction under Sec 80IC		
Incremental deduction allowed for research and development costs		
Tax impact of income not subject to tax		
Tax effects of amounts which are not deductible for taxable income		
Additional tax paid on book profits		
Others (Tax expenses related to difference in depreciation and other disallowable expenses)	13,16,652.84	1,68,905.83
<b>Total income tax expense</b>	<b>61,79,200.00</b>	<b>51,32,700.00</b>

The Company benefits from the tax holiday available to units set up under section 80-IC and 80-IE of Income Tax Act, 1961. These tax  
 holidays are available for a period of ten years from the date of commencement of operations.



NOTE 24: TAX RECONCILIATIONS (Contd.)

**Deferred Tax (Liabilities):**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Property, Plant and Equipment	(1,44,356.00)	(14,58,662.00)	(89,111.00)
Intangible assets	-	-	-
Others	-	-	-
<b>Total deferred tax liabilities</b>	<b>(1,44,356.00)</b>	<b>(14,58,662.00)</b>	<b>(89,111.00)</b>

**Deferred Tax Assets:**

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Defined benefit obligations	-	-	-
Provisions	-	-	-
Others	-	-	-
<b>Total deferred tax assets</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Net Deferred tax (Liabilities) / Assets** (1,44,356.00) (14,58,662.00) (89,111.00)

**Movement in Deferred tax Liabilities / Asset**

	Property, plant and equipment	Intangible assets	Other Deferred Tax Liability	Defined benefit obligations	Provisions	Other Deferred Tax Asset	Deferred Tax Liabilities / Asset (net)
At 1st April 2016	(89,111.00)	-	-	-	-	-	(89,111.00)
(Charged)/Credited :							
- to profit or loss	(13,69,551.00)	-	-	-	-	-	(13,69,551.00)
- to other comprehensive income	-	-	-	-	-	-	-
As at 31st March 2017	(14,58,662.00)	-	-	-	-	-	(14,58,662.00)
(Charged)/Credited :							
- to profit or loss	13,14,306.00	-	-	-	-	-	13,14,306.00
- to other comprehensive income	-	-	-	-	-	-	-
As at 31st March 2018	(1,44,356.00)	-	-	-	-	-	(1,44,356.00)

As per Groupings  
The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.  
Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.





NOTE 24: TAX RECONCILIATIONS (Contd.)

Tax Credits carried forward	As at March 31, 2018	Expiry Date	As at March 31, 2017	Expiry Date	As at April 1, 2016	Expiry Date
2006-07	-	-	-	-	-	-
2007-08	-	-	-	-	-	-
2008-09	-	-	-	-	-	-
2009-10	-	-	-	-	-	-
2010-11	-	-	-	-	-	-
2011-12	-	-	-	-	-	-
2012-13	-	-	-	-	-	-
2013-14	-	-	-	-	-	-
2014-15	-	-	-	-	-	-
2015-16	-	-	-	-	-	-
2016-17	-	-	-	-	-	-



# DINA IRON & STEEL LIMITED

CIN NO. L27101BR1992PLC004967

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

## 42. NOTE 42 : CONTINGENT LIABILITIES

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
a) CLAIMS FOR EXCISE DUTIES, TAXES AND OTHER MATTERS	-	-	-
b) GUARANTEES GIVEN ON BEHALF OF SUBSIDIARIES	-	-	-
c) OTHER GUARANTEES			
D) Guarantees issued by banks [secured by bank deposits under lien with the bank.	-	-	-
d) CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT:	-	-	-



## DINA IRON & STEEL LIMITED

CIN NO. L27101BR1992PLC004867

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

### 43. NOTE 43 : RELATED PARTY DISCLOSURES

#### A) Related Parties and their Relationship

a) Holding Company: Nil

b) Subsidiaries: Nil

Name of the Subsidiary	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017	% Holding as at March 31, 2016

c) Fellow Subsidiaries with whom transactions have taken place during the year: Not Applicable

d) Joint Venture: Nil

Name of the Joint Venture	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017	% Holding as at March 31, 2016

e) Associate Company: Nil

Name of the Associate Company	Country	% Holding as at March 31, 2018	% Holding as at March 31, 2017	% Holding as at March 31, 2016

f) Investing Entity in which the reporting entity is an Associate (w.e.f. March 30, 2017): Nil

### NOTE 43 : RELATED PARTY DISCLOSURES (Contd.)

g) Companies under common Control with whom transactions have taken place during the year (w.e.f. March 30, 2017)

i) Patliputra Industrial Gases Limited	Associate Company
ii) Oar Overseas Private Limited	Associate Company
iii) Patliputra Steels Private Limited	Associate Company
iv) Sun Comtech Private Limited	Associate Company
v) Dina Alloys Limited	Associate Company

h) Key Management Personnel and Relatives

i) Mr. Sanjay Kumar Bhartiya	Key Managerial Personnel
ii) Mr. Prashant Bhartiya	Key Managerial Personnel
iii) Mrs. Ritu Bhartiya	Key Managerial Personnel
iv) Sanjay Kumar Bhartiya (HUF)	HUF of Key Managerial Personnel
v) Prashant Bhartiya (HUF)	HUF of Key Managerial Personnel
vi) Mrs. Nupur Bhartiya	Wife of Key Managerial Personnel
vii) Vijay Kumar Bhartiya (HUF)	HUF of Brother of Key Managerial Personnel
viii) Mr. Saurabh Bhartiya	Brother of Key Managerial Personnel
ix) Mrs. Anura Devi Bhartiya	Mother of Key Managerial Personnel
x) Apoorva Bhartiya	Son of Key Managerial Personnel
xi) Mr. Raj Kumar Bhartiya	Father of Key Managerial Personnel
xii) Mr. Raj Kumar Bhartiya (HUF)	HUF of Father of Key Managerial Personnel
xiii) Ranjeet Kumar Sinha	Key Managerial Personnel
xiv) Miss Akansha	Key Managerial Personnel
xv) Mr. Abhyuday Bhartiya	Son of Key Managerial Personnel

i) Trust where the reporting entity exercises significant influence : Nil

j) Post employment Benefit Trust where the reporting entity exercises significant influence : Nil



## DINA IRON & STEEL LIMITED

CIN NO. L27101BR1992PLC001967

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

### 43. NOTE 43: RELATED PARTY DISCLOSURES (Contd.)

#### B) The Related Party Transactions (Contd.)

##### II Related party Transactions (F.Y 2017-18)

	Purchase	Interest Paid	Loan taken	Loan paid	Remuneration	Outstanding Balance
Patliputra Industrial Gases Limited	5,08,140.00	-	-	-	-	-
Oar Overseas Private Limited	-	-	7,65,000.00	13,65,000.00	-	33,63,740.64
Patliputra Steels Private Limited	-	-	-	-	-	8,47,410.00
Sun Comtech Private Limited	-	-	-	-	-	1,16,36,781.00
Mr. Sanjay Kumar Bhartiya	-	2,00,000.00	76,30,000.00	81,00,000.00	6,00,000.00	74,59,450.74
Mr. Prashant Bhartiya	-	1,80,241.34	1,05,30,000.00	94,55,000.00	6,00,000.00	14,52,644.95
Mrs. Ritu Bhartiya	-	5,25,286.93	59,50,000.00	51,30,000.00	-	61,79,584.60
Sanjay Kumar Bhartiya (HUF)	-	10,13,204.92	18,00,000.00	1,60,000.00	-	1,42,22,696.62
Prashant Bhartiya (HUF)	-	6,41,187.74	7,75,000.00	10,90,000.00	-	82,82,586.97
Mrs. Nupur Bhartiya	-	5,52,267.46	1,85,05,000.00	1,46,30,000.00	-	48,22,041.51
Vijay Kumar Bhartiya (HUF)	-	7,89,460.86	7,50,000.00	1,50,000.00	-	1,11,94,186.50
Mr. Abhyuday Bhartiya	-	-	9,01,000.00	5,72,000.00	-	3,29,000.00
Mr. Saurabh Bhartiya	-	3,21,531.25	18,00,000.00	85,20,000.00	-	2,52,409.13
Mrs. Anura Devi Bhartiya	-	-	9,50,000.00	-	-	42,29,790.00
Apoorva Bhartiya	-	-	-	-	-	1,30,00,772.00
Mr. Raj Kumar Bhartiya	-	-	4,00,000.00	30,00,000.00	-	7,81,950.00
Mr. Raj Kumar Bhartiya (HUF)	-	-	5,40,000.00	-	-	11,78,020.00
Ranjeet Kumar Sinha	-	-	-	-	97,300.00	-
Miss Akansha	-	-	-	-	2,96,301.00	25,000.00

##### II Related party Transactions (F.Y 2016-17)

	Purchase	Interest Paid	Loan taken	Loan paid	Remuneration	Outstanding Balance
Patliputra Industrial Gases Limited	3,04,000.00	-	-	-	-	-
Oar Overseas Private Limited	-	-	-	7,40,046.00	-	39,63,740.64
Patliputra Steels Private Limited	-	-	-	-	-	8,50,940.00
Sun Comtech Private Limited	-	-	5,25,000.00	-	-	1,16,36,781.00
Mr. Sanjay Kumar Bhartiya	-	2,00,000.00	42,00,000.00	2,37,54,800.00	6,00,000.00	77,49,450.74
Mr. Prashant Bhartiya	-	-	12,35,000.00	11,74,930.00	6,00,000.00	1,15,427.74
Mrs. Ritu Bhartiya	-	4,22,258.00	19,15,000.00	26,89,490.00	-	57,86,826.56
Sanjay Kumar Bhartiya (HUF)	-	7,86,363.00	15,00,000.00	2,72,526.00	-	1,16,70,212.19
Prashant Bhartiya (HUF)	-	5,41,644.00	9,50,100.00	1,56,610.00	-	80,20,318.00
Mrs. Nupur Bhartiya	-	-	32,10,865.00	34,33,739.00	-	4,50,000.80
Vijay Kumar Bhartiya (HUF)	-	6,82,123.00	8,70,000.00	1,46,430.00	-	98,83,671.73
Mr. Saurabh Bhartiya	-	4,81,026.00	13,50,000.00	2,03,316.00	-	66,83,031.00
Mrs. Anura Devi Bhartiya	-	-	3,50,000.00	-	-	32,94,240.00
Apoorva Bhartiya	-	-	-	12,00,000.00	-	1,10,00,772.00
Mr. Raj Kumar Bhartiya	-	-	4,00,000.00	26,770.00	-	33,67,500.00
Mr. Raj Kumar Bhartiya (HUF)	-	-	3,50,000.00	-	-	6,38,020.00
Ranjeet Kumar Sinha	-	-	-	-	84,850.00	-
Miss Akansha	-	-	-	-	2,74,491.00	23,000.00



**DINA IRON & STEEL LIMITED**

CIN NO. L27101RR1992PLCOO14987

Abdul Kalam Nagar, Durgam, Patna - 800 069

**44 NOTE 44 : FINANCIAL INSTRUMENTS**

A. Accounting classification and fair value  
Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2018	Carrying amount / Fair Value		Total	Fair value Hierarchy			Total
	FVTPL	FVTOCI Amortised Cost		Level 1	Level 2	Level 3	
<b>Financial assets</b>							
Non Current Investments	-	-	-	-	-	-	-
Non-convertible Debentures with Non-Banking Financial Companies	20,00,000.00	-	20,00,000.00	-	20,00,000.00	-	20,00,000.00
Shares	-	-	-	-	-	-	-
Mutual Fund	-	-	-	-	-	-	-
Deposits with Non-Banking Financial Companies	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-
Other Non-Current Financial Assets	-	-	-	-	-	-	-
<b>Current Investments</b>							
Non-convertible Debentures with Non-Banking Financial Companies	-	-	-	-	-	-	-
Shares	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-
Deposits with Non-Banking Financial Companies	-	-	-	-	-	-	-
Trade receivables	-	24,15,81,881.68	24,15,81,881.68	24,15,81,881.68	-	-	24,15,81,881.68
Cash and cash equivalents	-	11,73,466.10	11,73,466.10	11,73,466.10	-	-	11,73,466.10
Other Bank balances	-	-	-	-	-	-	-
Loans	-	1,55,00,000.00	1,55,00,000.00	-	1,55,00,000.00	-	1,55,00,000.00
Other Current Financial Assets	-	1,03,50,872.84	1,03,50,872.84	-	1,03,50,872.84	-	1,03,50,872.84
	20,00,000.00	26,86,06,220.62	27,06,06,220.62	11,73,466.10	26,94,32,794.52	-	27,06,06,220.62
<b>Financial liabilities</b>							
Long term borrowings	-	-	-	-	-	-	-
Current Borrowings	-	27,21,49,985.58	27,21,49,985.58	-	27,21,49,985.58	-	27,21,49,985.58
Trade and other payables	-	1,23,82,774.37	1,23,82,774.37	-	1,23,82,774.37	-	1,23,82,774.37
Other Non-Current financial liabilities	-	-	-	-	-	-	-
Other Current Financial Liabilities (including Derivative Financial Instruments)	-	4,26,40,799.59	4,26,40,799.59	-	4,26,40,799.59	-	4,26,40,799.59
Other Non Current financial liabilities	-	47,00,200.00	47,00,200.00	-	47,00,200.00	-	47,00,200.00
	-	33,18,73,759.54	33,18,73,759.54	-	33,18,73,759.54	-	33,18,73,759.54



44 NOTE 44: FINANCIAL INSTRUMENTS (Contd.)  
A. Accounting classification and fair values (Contd.)

AS at March 31, 2017	Carrying amount			Fair value Hierarchy				
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Non Current								
Investments	20,00,000.00	-	-	20,00,000.00	-	20,00,000.00	-	20,00,000.00
Debt	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-
Mutual Fund	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Other Non-Current Financial Assets	-	-	-	-	-	-	-	-
<b>Current</b>								
Investments	-	-	-	-	-	-	-	-
Debt	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-
Deposits with Non-Banking Financial	-	-	-	-	-	-	-	-
Companies	-	-	33,03,76,182.49	33,03,76,182.49	-	33,03,76,182.49	-	33,03,76,182.49
Trade receivables	-	-	2,53,446.00	2,53,446.00	2,53,446.00	-	-	2,53,446.00
Cash and cash equivalents	-	-	-	-	-	-	-	-
Other Bank balances	-	-	-	-	-	-	-	-
Loans	-	-	1,55,00,000.00	1,55,00,000.00	-	1,55,00,000.00	-	1,55,00,000.00
Other Current Financial Assets	-	-	3,19,83,826.79	3,19,83,826.79	-	3,19,83,826.79	-	3,19,83,826.79
	20,00,000.00	-	37,81,13,455.28	38,01,13,455.28	2,53,446.00	37,98,60,098.28	-	38,01,13,455.28
<b>Financial liabilities</b>								
Long term borrowings	-	-	9,70,87,697.36	9,70,87,697.36	-	9,70,87,697.36	-	9,70,87,697.36
<b>Current</b>								
Borrowings	-	-	27,32,45,381.16	27,32,45,381.16	-	27,32,45,381.16	-	27,32,45,381.16
Trade and other payables	-	-	2,13,19,551.91	2,13,19,551.91	-	2,13,19,551.91	-	2,13,19,551.91
Other Current Financial Liabilities (including	-	-	3,96,84,641.01	3,96,84,641.01	-	3,96,84,641.01	-	3,96,84,641.01
Derivative Financial Instruments)	-	-	-	-	-	-	-	-
Other Non Current financial liabilities	-	-	47,00,200.00	47,00,200.00	-	47,00,200.00	-	47,00,200.00
	-	-	43,60,37,471.44	43,60,37,471.44	-	43,60,37,471.44	-	43,60,37,471.44



44 NOTE 44 : FINANCIAL INSTRUMENTS (Contd.)  
A. Accounting classification and fair values (Contd.)

	As at April 1, 2016		Carrying amount				Fair value Hierarchy		
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>									
Non Current Investments									
Debtseure									
Shares	20,00,000.00	-	-	20,00,000.00	-	20,00,000.00	-	20,00,000.00	
Mutual Funds									
Others									
Loans									
Other Non-Current Financial Assets									
Current Investments									
Mutual Funds									
Others									
Trade receivables			27,78,03,407.57	27,78,03,407.57				27,78,03,407.57	
Cash and cash equivalents			9,28,959.33	9,28,959.33	9,28,959.33			9,28,959.33	
Other Bank balances									
Loans			1,79,95,000.00	1,79,95,000.00		1,79,95,000.00		1,79,95,000.00	
Other Current Financial Assets (including Derivative Financial Instruments)			2,11,73,777.07	2,11,73,777.07		2,11,73,777.07		2,11,73,777.07	
	20,00,000.00	-	31,29,03,143.97	31,29,03,143.97	9,28,959.33	31,89,72,184.64	-	31,89,01,143.97	
<b>Financial liabilities</b>									
Long term borrowings									
Current									
Borrowings (Cash Credit)			11,52,19,139	11,52,19,139		11,52,19,139		11,52,19,139	
Trade and other payables			27,46,85,801.70	27,46,85,801.70		27,46,85,801.70		27,46,85,801.70	
Other Non-Current financial liabilities			1,98,49,565.69	1,98,49,565.69		1,98,49,565.69		1,98,49,565.69	
Other Current financial liabilities			28,00,000.00	28,00,000.00		28,00,000.00		28,00,000.00	
Current maturities of long term debt									
Others			3,77,07,634.32	3,77,07,634.32		3,77,07,634.32		3,77,07,634.32	
			45,02,62,140.91	45,02,62,140.91		45,02,62,140.91		45,02,62,140.91	

Level - 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities

Level - 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level - 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs)



**B. Measurement of fair values****Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

**Financial Instruments measured at fair value**

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Mutual Fund Investments	NAV quoted by the Mutual Fund	NA	NA
Investments in Non Convertible Debenture with Non-Banking Financial Companies	Broker Quote	NA	NA
Deposits with Non-Banking Financial Companies	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Commercial Paper issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Zero Coupon, Unsecured, Redeemable, Non Convertible Debentures issued by the Company	Present Value of expected cashflows using an appropriate discounting rate	NA	NA
Derivative Financial Instruments	MTM from Banks	NA	NA

**Transfers between Levels 1 and 2 - Nil****Transfer out of Level 3 - Nil****Valuation processes**

The main level 3 inputs for put option, contingent considerations are derived and evaluated as follows:

Contingent consideration - estimated based on expected cash outflows arising from the forecast sales and the entity's knowledge of the business and how the current economic environment is likely to impact it

**C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**1. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and conservative control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.





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### 45 NOTE 45 : FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company has constituted a Risk Management Committee and risk management policies which are approved by the Board to identify and analyze the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

This note explains the sources of risk which the Company is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, financial assets measured at amortised cost and fair value through profit & loss.	Credit Ratings	Diversification of counterparties, diversification of investment limits, monitoring of counterparties basis credit rating
	Derivative financial instruments	Credit Ratings	Deal with reputed banks holding high credit risk taking
	Trade receivables	Credit Limit and Aging analysis	No. of overdue days, monitoring of credit limits
Liquidity Risk	Other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market Risk-Foreign Exchange	Highly probable forecast transactions and financial assets and liabilities not denominated in INR	Sensitivity analysis	Forward foreign exchange contracts and foreign currency options

The Board of Directors provide guiding principles for overall risk management, as well policies covering specific areas, such as foreign exchange risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of available funds. The Company's risk management is carried out by a treasury department as per such policies approved by the Board of Directors. Accordingly, Company's treasury department identifies, evaluates and hedges financial risks.



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## NOTE 45 : FINANCIAL RISK MANAGEMENT (Contd.)

### B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and from its financing activities including investments in mutual funds, deposits with banks and financial institutions and NCD's, foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

Credit risk from investments of surplus funds is managed by the Company's treasury in accordance with the Board approved policy and limits. Investments of surplus funds are made only with those counterparties who meet the minimum threshold requirements prescribed by the Board. The Company monitors the credit ratings and financial strength of its counter parties and adjusts its exposure accordingly.

At March 31, 2018, the ageing for the financial assets as mentioned in the note below & that were not impaired (not provided for) was as follows.

#### Trade receivables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Neither past due nor impaired	23,21,74,250.68	31,80,99,266.49	26,21,62,717.76
Past due 1-90 days			
Past due 91-120 days			
Past due 120 days	94,07,631.00	1,22,76,916.00	1,56,40,689.81
	<b>24,15,81,881.68</b>	<b>33,03,76,182.49</b>	<b>27,78,03,407.57</b>

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

	Trade receivables Impairments
Balance as at April 1, 2016	
Impairment loss recognised	
Amounts written off	
<b>Balance as at March 31, 2017</b>	-
Impairment loss recognised	
Amounts written off	
<b>Balance as at March 31, 2018</b>	-





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### 46 NOTE 46 : FIRST TIME ADOPTION TO IND AS

As stated in Note 2, the Company's financial statements for the year ended March 31, 2018 are the first annual financial statements prepared in compliance with Ind AS. The adoption of Ind AS was carried out in accordance with Ind AS 101, using April 1, 2016 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS financial statements for the year ended March 31, 2018, be applied consistently and retrospectively for all fiscal years presented.

All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and Previous GAAP as of the transition date have been recognized directly in equity at the transition date.

In preparing these financial statements, the Company has availed itself of certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

#### a) Optional Exemptions from retrospective application availed:

- (i) **Property, plant and equipment exemption:** The Company has elected to apply the exemption available under Ind AS 101 to continue the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (April 1, 2016).

#### b) Mandatory exceptions from retrospective application

- (i) **Estimates:** On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.
- (ii) **Classification and measurement of financial assets:** The Company has classified and measured the financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.
- (iii) **Derecognition of financial assets and financial liabilities:** The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of transition to Ind AS.



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**NOTE 46 : FIRST TIME ADOPTION TO IND AS (Contd.)**

**c) Transition to Ind AS Reconciliations:**

The following reconciliations provide the explanations and quantifications of the differences arising from the transition from Indian GAAP to Ind AS in accordance with Ind AS 101.

- i. Reconciliation of Total Equity as at March 31, 2017 and April 1, 2016
- ii. Reconciliation of Comprehensive income for the year ended March 31, 2017
- iii. Adjustments to Statement of Cash Flows for the year ended March 31, 2017

**i) Reconciliation of Total Equity**

Particulars	Footnote ref.	As at March 31, 2017	As at April 1, 2016
Total Equity as per Indian GAAP		16,36,99,368.08	15,56,92,195.66
Summary of Ind AS adjustments			
Interest income		-	-
Rent expenses		-	-
Total Ind AS adjustments		-	-
Total Equity as per Ind AS		16,36,99,368.08	15,56,92,195.66

**ii) Reconciliation of Comprehensive income for the year ended on 31 December 2016**

Particulars	Footnote ref.	Year ended March 31, 2017
Profit After Tax as per Indian GAAP		80,07,172.42
Summary of Ind AS adjustments		
Interest income		-
Rent expenses		-
Total Ind AS adjustments		-
Total Comprehensive income as per Ind AS		80,07,172.42

**iii) Adjustment to the Statement of Cash Flows for the year ended 31st March, 2017**

There were no material differences between the Statement of Cash Flows presented under Ind AS and Previous GAAP.

**NOTE**

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.



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**NOTE 46 : FIRST TIME ADOPTION TO IND AS (Contd.)**

**Notes to the reconciliation:**

**1 Deferred tax on Ind AS adjustments**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

**2 Other comprehensive income**

Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income.

**NOTE : DISCLOSURE US 186 (4) OF THE COMPANIES ACT, 2013**

Details of investments made are disclosed under Note 5 and Note 13.

**NOTE : SUBSEQUENT EVENTS**

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

**NOTE :**

The financial statements were authorised for issue by the Board of Directors on 24 May, 2018.

**NOTE : GENERAL**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands as per the requirements of Schedule III, unless otherwise stated.





**II. EQUITY AND LIABILITIES**

<b>1. Equity</b>							
(a) Equity Share capital							
(b) Other Equity	6,72,99,250.00	6,72,99,250.00	6,72,99,250.00	6,72,99,250.00	6,72,99,250.00	6,72,99,250.00	6,72,99,250.00
Total Equity	9,04,01,138.08	9,04,01,138.08	9,04,01,138.08	9,04,01,138.08	9,04,01,138.08	9,04,01,138.08	9,04,01,138.08
	16,20,59,368.08	16,20,59,368.08	16,20,59,368.08	16,20,59,368.08	16,20,59,368.08	16,20,59,368.08	16,20,59,368.08
<b>2. Liabilities</b>							
<b>Non-current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings							
(ii) Trade payables							
(iii) Other financial liabilities							
(b) Provisions							
(c) Deferred tax liabilities (Net)							
(d) Other non-current liabilities							
Total Non-current Liabilities	9,70,87,697.36	9,70,87,697.36	9,70,87,697.36	9,70,87,697.36	9,70,87,697.36	9,70,87,697.36	9,70,87,697.36
<b>Current Liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings							
(ii) Trade payables							
(iii) Other financial liabilities							
(b) Other current liabilities							
(c) Provisions							
(d) Liabilities for Current Tax(Net)							
Total Current Liabilities	10,32,46,559.36	10,32,46,559.36	10,32,46,559.36	10,32,46,559.36	10,32,46,559.36	10,32,46,559.36	10,32,46,559.36
	37,32,45,381.16	37,32,45,381.16	37,32,45,381.16	37,32,45,381.16	37,32,45,381.16	37,32,45,381.16	37,32,45,381.16
	2,13,19,771.91	2,13,19,771.91	2,13,19,771.91	2,13,19,771.91	2,13,19,771.91	2,13,19,771.91	2,13,19,771.91
	3,96,84,641.01	3,96,84,641.01	3,96,84,641.01	3,96,84,641.01	3,96,84,641.01	3,96,84,641.01	3,96,84,641.01
	3,09,07,224.23	3,09,07,224.23	3,09,07,224.23	3,09,07,224.23	3,09,07,224.23	3,09,07,224.23	3,09,07,224.23
	81,51,832.00	81,51,832.00	81,51,832.00	81,51,832.00	81,51,832.00	81,51,832.00	81,51,832.00
	46,60,503.33	46,60,503.33	46,60,503.33	46,60,503.33	46,60,503.33	46,60,503.33	46,60,503.33
	37,79,58,533.64	37,79,58,533.64	37,79,58,533.64	37,79,58,533.64	37,79,58,533.64	37,79,58,533.64	37,79,58,533.64
<b>TOTAL EQUITY AND LIABILITIES</b>	64,48,04,467.08	64,48,04,467.08	64,48,04,467.08	64,48,04,467.08	64,48,04,467.08	64,48,04,467.08	64,48,04,467.08
	11,81,08,250.28	11,81,08,250.28	11,81,08,250.28	11,81,08,250.28	11,81,08,250.28	11,81,08,250.28	11,81,08,250.28
	27,49,85,801.70	27,49,85,801.70	27,49,85,801.70	27,49,85,801.70	27,49,85,801.70	27,49,85,801.70	27,49,85,801.70
	1,98,49,565.69	1,98,49,565.69	1,98,49,565.69	1,98,49,565.69	1,98,49,565.69	1,98,49,565.69	1,98,49,565.69
	3,77,07,634.32	3,77,07,634.32	3,77,07,634.32	3,77,07,634.32	3,77,07,634.32	3,77,07,634.32	3,77,07,634.32
	1,29,26,553.08	1,29,26,553.08	1,29,26,553.08	1,29,26,553.08	1,29,26,553.08	1,29,26,553.08	1,29,26,553.08
	70,89,650.09	70,89,650.09	70,89,650.09	70,89,650.09	70,89,650.09	70,89,650.09	70,89,650.09
	17,10,832.00	17,10,832.00	17,10,832.00	17,10,832.00	17,10,832.00	17,10,832.00	17,10,832.00
	35,59,40,074.71	35,59,40,074.71	35,59,40,074.71	35,59,40,074.71	35,59,40,074.71	35,59,40,074.71	35,59,40,074.71
	62,77,40,510.87	62,77,40,510.87	62,77,40,510.87	62,77,40,510.87	62,77,40,510.87	62,77,40,510.87	62,77,40,510.87





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## Reconciliation Statement of Profit and Loss as previously reported under IGAAP to Ind AS

	Note No.	For the Year Ended March 31, 2017	
		IGAAP	Effects of transition to Ind AS Ind AS
<b>Revenue</b>			
I Revenue from Operations		1,67,32,15,584.77	1,67,32,15,584.77
II Other Income		50,00,482.79	50,00,482.79
<b>III Total Income (I + II)</b>		<b>1,49,83,41,983.44</b>	<b>1,49,83,41,983.44</b>
<b>IV Expenses</b>			
Cost of Materials Consumed		1,06,34,24,002.69	1,06,34,24,002.69
Purchases of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress		(91,56,576.00)	(91,56,576.00)
Employee Benefits Expense		65,54,983.00	65,54,983.00
Finance Costs		3,59,27,311.97	3,59,27,311.97
Depreciation and Amortization Expense		1,53,75,022.27	1,53,75,022.27
Other Expenses		37,12,02,738.09	37,12,02,738.09
<b>Total Expenses</b>		<b>1,48,33,27,482.02</b>	<b>1,48,33,27,482.02</b>
<b>V Profit Before Exceptional Items and Tax (III-IV)</b>		<b>1,50,14,501.42</b>	<b>1,50,14,501.42</b>
<b>VI Exceptional Items</b>		-	-
<b>VII Profit Before Tax (V+VI)</b>		<b>1,50,14,501.42</b>	<b>1,50,14,501.42</b>
<b>VIII Tax Expense</b>			
(1) Current Tax		51,32,700.00	51,32,700.00
(2) Deferred Tax		13,69,551.00	13,69,551.00
(3) Tax expense of earlier years		5,05,078.00	5,05,078.00
<b>Total Tax Expense</b>		<b>70,07,329.00</b>	<b>70,07,329.00</b>
<b>IX Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>80,07,172.42</b>	<b>80,07,172.42</b>
<b>X Profit/(loss) from discontinued operations</b>		-	-
<b>XI Profit for the Year (VII-VIII)</b>		<b>80,07,172.42</b>	<b>80,07,172.42</b>
<b>XII Other Comprehensive Income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>		-	-
<b>(ii) Income tax relating to item that will not be reclassified to profit or loss</b>		-	-
<b>B (i) Items that will be reclassified to profit or loss</b>		-	-
<b>(ii) Income tax relating to item that will be reclassified to profit or loss</b>		-	-
<b>Total Comprehensive Income for the year (IX+X)</b>		<b>80,07,172.42</b>	<b>80,07,172.42</b>



# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### 1. Corporate Information

Dina Iron & Steel Limited (the Company) was incorporated on July 15, 1992. The Company's registered office is at Abdul Rehmanpur Road, Didarganj, Patnacity, PATNA - 800 009.

### 2. Basis of preparation, Measurement and Significant

#### 2.1 Basis of Preparation and measurement

##### a) Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act.

The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules 2006 and other relevant provisions of the Act, considered as the "Previous GAAP".

These financial statements are the Company's first Ind AS financial statements and are covered by Ind AS 101, First-time adoption of Indian Accounting Standards. An explanation of how the transition to Ind AS has affected the Company's equity, financial position, financial performance and its cash flows is provided in Note 46.

##### Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

##### b) Basis of Measurement

These financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value (refer accounting policy regarding financial instruments),
- Defined benefit plans – plan assets and share-based payments measured at fair value.
- Assets held for sale – measured at lower of carrying value or fair value less cost to sell.

#### 2.2 Key estimates and assumptions

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The areas involving critical estimates or judgments are:

- i. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized; (Note 2.4 (a))
- ii. Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources; (Note 2.4 (g))
- iii. Rebates and sales incentives accruals

# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### 2.3 Measurement of fair values

The Company's accounting policies and disclosures require financial instruments to be measured at fair values.

The Company has an established control framework with respect to the measurement of fair values. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

*Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.

*Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

*Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

### 2.4 Significant Accounting Policies

#### a) Property, Plant and Equipment

##### *Recognition and measurement*

Items of property, plant and equipment, other than Freehold Land, are measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold land is carried at cost and is not depreciated.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### *Subsequent expenditure*

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate only if it is probable that the future economic benefits associated with the item will flow to the Company and that the cost of the item can be reliably measured. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repair and maintenance are charged to profit and loss during the reporting period in which they are incurred.

### *Depreciation*

Depreciation on Tangible Fixed Assets is provided on Written down Method (WDV) using the rates arrived at based on the useful lives of the respective assets prescribed in Schedule II to the Companies Act, 2013. Depreciation on amounts of additions to fixed assets during the year or on its disposal/ demolition/ destruction of fixed assets during the year is provided on pro-rata basis as per Schedule II. As per Note 7 to the Schedule II to the Companies Act, 2013, the carrying amount of the fixed assets as on 1st April, 2015 has been depreciated over the remaining useful life of the asset after retaining the residual value. Wherever the remaining useful life of the asset is NIL as per Schedule II, the carrying amount as on 1st April, 2015 is recognized in the opening balance of retained earnings. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### b) **Borrowing Costs**

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

### c) **Impairment of non-financial assets**

An impairment loss is recognised whenever the carrying value of an asset or a cash-generating unit exceeds its recoverable amount. Recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use. An impairment loss, if any, is recognised in the Statement of Profit and Loss in the period in which the impairment takes place. The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit, pro rata based on the carrying amount of each asset in the unit.

### d) **Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, futures and currency options.

### **Financial assets**

#### *Initial recognition and measurement*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.



# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### *Subsequent measurement*

For the purpose of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost,
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

### **Equity investments**

All equity investments within the scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the Other Comprehensive Income (OCI). There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the financial asset have expired, or  
The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.



# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### **Impairment of financial assets**

The Company assess on a forward looking basis the Expected Credit Losses (ECL) associated with its financial assets that are debt instruments and are carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies a simplified approach. It recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security deposit collected etc. and expectations about future cash flows.

### **Financial liabilities**

#### *Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

#### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Loans and borrowing**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

#### **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require specified payments to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined at the reporting date and the amount of the

# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Where guarantees in relation to loans or other payables of subsidiaries are provided for no compensation, the fair values are accounted for as contributions and recognised as fees receivable under "other financial assets" or as a part of the cost of the investment, depending on the contractual terms.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### e) Inventories

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Raw materials, packing materials and stores: Costs includes cost of purchase and other costs incurred in bringing each product to its present location and condition.

Finished goods and work in progress: In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition

If payment for inventory is deferred beyond normal credit terms, then the cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost is recognised as interest expense over the period of financing under the effective interest method.

### f) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits held at call with financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents cash and short term deposits as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### g) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the enterprise has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent Assets are not recognised till the realization of the income is virtually certain. However the same are disclosed in the financial statements where an inflow of economic benefit is probable.

### h) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

#### *Sale of goods*

Revenue from sale of goods is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer.

The Company recognizes revenues on the sale of products, net of returns, discounts, sales incentives/rebate, amounts collected on behalf of third parties (such as sales tax) and payments or other consideration given to the customer that has impacted the pricing of the transaction.

Accumulated experience is used to estimate and provide for the discounts and returns. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice.

**Royalty & Technical Fees** - Royalty is recognized on accrual basis in accordance with the substance of the relevant agreement.

**Interest income** - Interest on Deposits is recognised on time basis

**Dividend income** - Dividends are recognised in profit or loss on the date on which the Company's right to receive payment is established

### i) Employee Benefits

#### i) Short-term Employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### ii) Long Term Employee Benefits

- **Defined Contribution Scheme:** The benefit includes contribution to EPF (Employee Provident Fund), ESI etc. The contribution is recognized during the period in which the employee renders service.

- **Defined Benefits Plan:** 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.



# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### j) **Income Tax**

Income tax expense/income comprises current tax expense income and deferred tax expense income. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI. In which case, the tax is also recognized directly in equity or other comprehensive income, respectively.

#### *Current Tax*

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the year and any adjustment to the tax payable or recoverable in respect of previous years. It is measured using tax rates enacted or substantively enacted by the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretations and establishes provisions where appropriate.

- Current tax assets and liabilities are offset only if, the Company has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### *Deferred Tax*

Deferred Income tax is recognized in respect of temporary difference between the carrying amount of assets and liabilities for financial reporting purpose and the amount considered for tax purpose.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised such reductions are reversed when it becomes probable that sufficient taxable profits will be available.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- i) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.
- iii) Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised.

## DINA IRON & STEEL LIMITED

### NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

Pursuant to Ind AS-12 issued by The Institute of Chartered Accountants of India, Deferred Tax Liability of 1,44,356.00 which arose during the year on account of temporary difference between amount of depreciation as per books of accounts and depreciation as claimed under the provisions of Income Tax Rules, 1962; and amount to Rs. 13,14,306.00 which has been recognized in the books of accounts.

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A. Deferred Tax Liabilities:</b>		
Related to depreciation on fixed assets	1,44,356.00	14,58,662.00
<b>B. Deferred Tax Assets :</b>	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
<b>C. Net Deferred Tax Liability</b>	<b>1,44,356.00</b>	<b>14,58,662.00</b>

#### k) Foreign Currency Transactions

##### i) Functional and Presentation currency

The Company's financial statements are prepared in Indian Rupees (INR "₹") which is also the Company's functional currency.

##### ii) Transactions and balances

Foreign currency transactions are recorded on initial recognition in the functional currency using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date the fair value is determined.

Exchange differences arising on the settlement or translation of monetary items are recognized in profit or loss in the year in which they arise except for the qualifying cash flow hedge, which are recognised in OCI to the extent that the hedges are effective.

The company has purchased stores & equipment

# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

**l) Government grants**

Government grants, including non-monetary grants at fair value are recognised when there is reasonable assurance that the grants will be received and the company will comply with all the attached conditions.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods necessary to match them with the costs that they are intended to compensate.

Government grants relating to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the profit and loss on a straight line basis over the expected lives of the related assets

**m) Dividend**

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

**n) Earnings Per Share**

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- Weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Particular's	Year Ended	Year Ended
	31-03-2018	31-03-2017
a). Profit/(Loss) after Tax as per Statement of Profit and Loss	89,82,035.45	80,07,172.42
b). Number of equity shares of Rs.10/-	68,19,500.00	68,19,500.00
c). Weighted average number of equity shares of Rs.10/- each outstanding during the year	67,29,825.00	67,29,825.00
d). Earning per shares Basic	1.33	1.19
e). Earning per shares Diluted	1.33	1.19

# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

**o) Segment Reporting**

The Company is considered to be a single segment company – engaged in the manufacture of Personal and Household Care products. Consequently, the Company has, in its primary segment, only one reportable business segment. As per Ind AS-108 'Operating Segments', if a financial report contains both the consolidated financial statements of a parent that is within the scope of IndAS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under IndAS-108 Operating Segments has been given in the consolidated financial statements.

**p) ADDITIONAL INFORMATION PURSUANT TO THE PROVISION OF PARAGRAPH 8 OF PART II OF SCHEDULE III OF THE COMPANIES ACT 2013:**

(a) Value of imports - Calculated on C.I.F. basis by the company during the financial year in respect of :-				
		FY 2017-18	FY 2016-17	
I.	Raw Material	Rs. NIL	Rs. NIL	
II.	Components and Spare parts;	13950 USD	16660 USD	
III.	Capital Goods;	Rs. NIL	Rs. NIL	
(b) Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters; Current Year - Rs. Nil for purchase of Raw Material and Rs. Nil for purchase of Capital Goods. (Previous Year- Rs. Nil).				
(c)				
Particulars	FY 2017-18		FY 2016-17	
	(In Rs.)	%	(In Rs.)	%
Total value of all imported raw materials, spare parts and components consumed	9,07,422.00	0.07%	7,48,451.00	0.07%
The total value of all indigenous raw materials, spare parts and components	1,37,81,34,463.69	99.93%	1,03,68,64,007.28	99.93%
<b>Total :</b>	<b>1,37,90,41,885.69</b>	<b>100.00%</b>	<b>1,03,76,12,458.28</b>	<b>100.00%</b>
(d) The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related; Current Year - Rs. NIL (Previous Year- Rs. Nil).				
(e) Earnings in foreign exchange classified under the following heads, namely:-				
		FY 2017-18	FY 2016-17	
I.	Export of goods calculated on F.O.B. basis;	Rs. NIL	Rs. NIL	
II.	Royalty, know-how, professional and consultation fees;	Rs. NIL	Rs. NIL	
III.	Interest and dividend;	Rs. NIL	Rs. NIL	
IV.	Other income, indicating the nature thereof.	Rs. NIL	Rs. NIL	



# DINA IRON & STEEL LIMITED

## NOTE: '51' SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

### q) Payment to Auditors for services rendered:-

	<u>Current Year</u>	<u>Prev. Year</u>
a) As Statutory Auditor	35,000.00	35,000.00
b) In respect of tax audit	12,000.00	12,000.00
c) As adviser in respect of Taxation and Company Law matters	10,000.00	10,000.00

### r) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accrual of past or future operating cash receipts and payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the concern are segregated.

- s) 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.
- t) Estimated amount of capital contracts remaining to be executed not provided for net of advances:- Rs. NIL (Last year NIL)
- u) Claims against the company not acknowledged as debts - Nil.

Signature to Note '1' TO '51'.

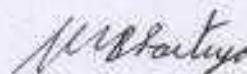
In terms of our report annexed.

For Agarwal Anil & Associates  
Chartered Accountants

  
(Agarwal Anil Kumar)  
M. No. 071338  
(Partner)



For and on behalf of the board

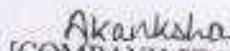
  
[MANAGING DIRECTOR]

  
[DIRECTOR]

Firm Reg. No. 002470C

Place : Patna.  
Date : 24-05-2018

  
[CHIEF FINANCIAL OFFICER]

  
[COMPANY SECRETARY]

**TO WHOM IT MAY CONCERN**

This is to certify that none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of The Companies Act, 2013.

**For M/S DINA IRON & STEEL LIMITED**

  
[Managing Director]

  
[Director]