

AUDIT REPORT

YEAR: 2013-14

DINA IRON & STEEL LIMITED

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

Auditor

M/S SUBODH GOEL & CO.

Chartered Accountants

Head Office:

202, Rani Plaza, Exhibition Road,
PATNA - 800 001

Branch Office:

7, Premkunj, Civil Lines
RAIPUR - 492 001

Contact No. :

0612-2320912 / 2320455

Mob. : 94310-19121

Email:

skgoelfca@gmail.com
skgoel_fca@rediffmail.com

NOTICE

To, The Shareholders of
Dina Iron & Steel Limited

"Notice is hereby given that the 22nd Annual General Meeting of the Company will be held on Tuesday the 25th September, 2014 at 11.00 A.M. at the Registered Office of the Company situated at Abdual Rahmanpur Road, Didarganj, Patna City, Patna - 800 009 • INDIA to transact the following business:

ORDINARY BUSINESS :

To pass the following resolutions with or without modifications:

- 1) To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2014, 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 31st March, 2014.
- 2) To appoint a Director in place of Smt. Ritu Bhartiya, who retire by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint Auditors to hold Office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s SUBODH GOEL & Co., Chartered Accountants, Mumbai, firm registration number 006103C be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors in consultation with the Auditors.

SPECIAL BUSINESS :

- 4) Appointment of Shri Atul Kumar as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provision, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Act, Shri Atul Kumar (DIN: 02233642), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 25th September 2014 upto 24th September 2019."

5) Appointment of Shri Abhishek Agarwal as an Independent Director.

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

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provision, if any, of the Companies Act, 2013 (the Act) and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Act, Shri Abhishek Agarwal (DIN: 03016042), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company, with effect from 25th September 2014 upto 24th September 2019."

7) Appointment of Shri Sanjay Kumar Bhartiya as Managing Director of the Company.

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

"RESOLVED THAT pursuant to provisions of Article of Association of the Company and Sections 196, 197, 198, 203 and Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the confirmation from shareholders in ensuing general meeting and such other consents, approvals and permissions if any

needed, Shri Sanjay Kumar Bhartiya be and is hereby appointed as Managing Director (MD) of the Company for a period of five years with effect from 27/06/2014 on the terms and conditions herein below mentioned :

1. The Company appoints Shri Sanjay Kumar Bhartiya as Managing Director (MD) of the Company for a period of five years commencing from 27th June, 2014, unless he resigns earlier in writing or vacates his office by virtue of the provisions of the Companies Act, 2013. On the expiry of each period of five years so long as Managing Director (MD) is willing to act as Managing Director (MD) of the Company, the Company may appoint you him Managing Director (MD) on compliance of legal provision.
2. The Managing Director (MD), subject to superintendence, control and directions of the Board of Directors, shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorized to exercise and do except that the Managing Director (MD) will not exercise any power or do any act or thing which is required under Memorandum and Articles of Association of the Company, or under Companies Act, 2013 or any other law for the time being in force to be exercised by the Board of Directors or Company in general meeting. Without prejudice to the foregoing, the Managing Director (MD) shall have following powers and rights :-
 - i) To appoint and at his discretion, remove or suspend officers, departmental managers, or other staff and employees including persons employed on special services, as he may from time to time, deem expedient.
 - ii) To determine duties and powers of officers, staff and employees and fix the amount of their salaries and emoluments and other benefits.
 - iii) To remunerate any person rendering services to the Company, whether in regular employment or otherwise, in such manner as he may think fit and proper, whether in consideration of cash/salary or by a commission or by way of certain percentage in profit or in any other manner.
 - iv) To allow or award special remuneration to any person or employee for special services rendered to the Company as may be determined by him.
 - v) To appoint any Company, firm or person including a Director or Officer or body of person to be the attorney or attorneys of the Company for such purpose and with such powers, authorities and discretion and for such period as he may think fit and may also authorize and such attorney to sub-delegate any of the powers, authorities and discretion vested in him and to withdraw or cancel any such appointment and Power of Attorney.
 - vi) To constitute or reconstitute at any time any department within the Company and from time to time to change or re-arrange the working of any department.
 - vii) To promote any person or persons to be a senior member of the management and delegate to such person or persons, such powers, authorities as he may deem

fit and with powers to cancel or withdraw any one or more of such powers and/or authorities.

- viii) To institute, intervene, conduct, define, compromise, refer to arbitration and, abandon, legal or other proceedings and claims by and against the Company, its Directors and Officers or otherwise concerning the business or affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due or any claim or demands made by or against the Company.
- ix) To open accounts in the name of the Company or any division of the Company with any Bank or Bankers or with any Company, firm or individual and to operate himself or authorize/empower other person to operate such account as referred to earlier for and on behalf of the Company who may also be empowered by the Managing Director (MD) to sign documents regarding aforesaid accounts.
- x) To purchase or otherwise acquire or empower any other persons(s) to purchase/acquire for the business or welfare of the Company, any property, rights or privileges which the Company is authorized to acquire at such price and on such terms and conditions as the Managing Director (MD) may think fit.
- xi) To keep insured against loss or damage by fire including loss of profit or otherwise for such period and to such extent as you thinks fit or proper, all or any part of the building/machinery and other assets.
- xii) To secure fulfillment of any Contract or Agreement entered into by the Company by mortgage or charge for all or any of the properties of the Company.
- xiii) To support and subscribe to any institution, society, trust or club which may be for the benefit of the Company or its employees or its depositors or its agent/agent's staff or which is connected with any town or place where the company carries on business.
- xiv) To appoint from time to time person(s) for the management of the business and affairs of the Company in such manner and on such terms as he may think fit and to appoint any person to be the Attorney(s) or agent(s) of the Company with such powers (including powers to sub delegate) and upon such terms as you may think fit.
- xv) To invest and deal with any of the moneys and funds of the Company in such securities and in such manner as he thinks fit, subject to compliance of the provisions of the law.
- xvi) To appoint Certified Valuers, Legal Advisors, Key Managerial Person (KMP), Manager, CEO, Internal Auditors, Management Auditors, Consultants, Solicitors, Brokers, Agents, Suppliers or other persons as and when required, for carrying on the business of the Company or managing its properties and assets.
- xvii) To purchase or otherwise acquire machinery, plant, equipment, houses, warehouses, land and building and other effects and insure them against loss by fire or theft or otherwise and to let or demise or give possession of the whole or any part of the same to such person and on such terms as you may think fit.
- xviii) To construct, alter, convert any house, warehouse or building and erect and build such other house, warehouse and buildings in lieu thereof on any land purchased, hired, rented or otherwise acquired in whatsoever manner as he may consider necessary for carrying on the business of the Company.

- xix) To operate Bank accounts in the name of the Company and sign on cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and receipts for money received by the Company. However, the authorization for signing of cheques, promissory notes, drafts, bills of exchange and other negotiable instruments may be determined in such manner as the Directors shall from time to time determine by Board Resolution.
 - xx) To withdraw, revoke, cancel or alter any power delegated by you to any person as per your discretion as and when required by him.
 - xxi) To authenticate transfer of shares, debenture, bonds and other money instruments issued by the Company from one name to other on compliance of all necessary legal formalities.
 - xxii) To represent the Company or authorize person(s) to represent the Company in any meeting of members/shareholders or creditors or debenture holders, of any other companies in which the Company holds shares, securities, debentures, bonds or to which the Company has lent money or where the Company is a party.
3. The Managing Director (MD) shall take remuneration including provident fund and gratuity etc.
 4. Subject to the provisions of the Companies Act, 2013, the Managing Director (CMD) shall not be liable to acts, receipts, neglects or defaults of any of the Directors, officers or employees of the Company or for any loss, damage or misfortune whatever, which shall happen in the execution of the duties of his office carried out in a bonafide manner.
 5. If at any time the Managing Director (MD) ceases to be the Managing Director in terms of the Agreement then and in that event this agreement shall forthwith stand terminated and/or cancelled but he shall remain a director of the Company.
 6. The Managing Director (MD) shall not be liable to retire by rotation.

DUTIES OF MANAGING DIRECTOR IN PURSUANCE WITH THE PROVISIONS OF SECTION 166 OF THE COMPANIES ACT 2013.

1. The Managing Director shall act in accordance with the provisions of the Article of Association of the Company.
2. The Managing Director shall act in good faith to promote the objects of the Company for benefit of all stakeholders of the Company.
3. The Managing Director shall act in prudent and independent manner while discharging the duties as may be assigned by the Company and laws of the land.
4. The Managing Director shall not involve in a situation in which he may have a direct or indirect interest that conflicts or possibly may conflict with the interest of the Company.

5. The Managing Director shall not attempt to gain or achieve any undue advantage either for himself or to his relatives, partners or associates by exploiting his positions at Company. Further if found guilty shall be liable to pay an amount equal to that gain to the Company.
6. The Managing Director shall not assign his office and any assignment so made shall be void.
7. If Managing Director of the Company Contravenes the provisions of this section, such Managing Director shall be punishable with fine which shall not be less than One Lakh rupees but which may extend to Five Lakh Rupees.

REMUNERATION & EXPENSES

The remuneration shall be paid in accordance with the provisions of section 197 of the Companies Act 2013, the remuneration of Chairman & Managing Director (CMD) will be Rs. 50,000/- (Rupees Fifty Thousand Only) per month.

However Managing Director (MD) will be reimbursed for all approved expenses incurred in his role as Managing Director (MD).

DISCLOSURES

Being Managing Director (MD) of the Company shall give notice of interest or concern in the Company or Companies, Bodies Corporates, firms or other association of individuals through Form MBP 1 at first meeting of the Board of Directors of the Company in every Financial Year in pursuance with the provisions of Section 184 of the Companies Act 2013.

He is further requested to intimate Company about his interest or concern in Company or Companies, Bodies Corporate, firms or other association of individuals through Form MBP 1 if any arises during the financial year in the next subsequent board meeting.

COMPANY POLICIES

As an officer of the Company Managing Director (MD) will be expected to act at all times in accordance with the Company's Constitution and comply with the Company's corporate policies and procedures that relate to his role as a Managing Director (MD) covering such areas as corporate governance, privacy and travel.

CONFIDENTIALITY

The Managing Director (MD) will be in possession of confidential information about the Company and its affairs. He may only use that information in the proper performance of his duties or as required by law; he must not use it to gain advantage for self or others, or to the detriment of the Company.

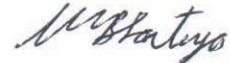
RESIGNATION

Managing Director (CMD) may resign from the office of Managing Director (CMD) after intimating Company in advance giving 60 days notice through resignation letter and should file the same resignation letter to Ministry of Corporate Affairs, Government of India."

"RESOLVED FURTHER that pursuant to the Clause 126 of the Articles of Association of the Company, Shri Sanjay Kumar Bhartiya shall not retire by rotation."

"RESOLVED FURTHER THAT Shri Prashant Bhartiya, Director of the Company be and is hereby authorized severally to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign including digital signature and execute all applications, documents, Forms and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution including filing & uploading appropriate Forms with Ministry of Corporate Affairs (MCA)."
SANJAY KUMAR BHARTIYA

By Order of the Board of Directors
For Dina Iron & Steel Ltd.



SANJAY KUMAR BHARTIYA
(DIRECTOR)
(DIN NO - 00164281)

Place : PATNA

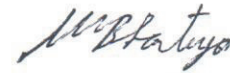
Date : 03/09/2014

NOTES:

1. EVERY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective must be lodged with the Company's Registered Office, not less than 48 hours before the commencement of the Annual General Meeting, i.e., 9.00 a.m. on 21st September, 2014.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 21th day of September, 2014 to Wednesday, 25th day of September, 2014 (both days inclusive).
4. Members are requested to notify their change of address, if any, to the Share department of the Company, located at Abdul Rahmanpur Road, Patna - 800 009.
5. Members are requested to quote their Folio Numbers in all their correspondence.
6. Members desirous of having any information regarding accounts are requested to address their queries to the Managing Director at the Registered Office of the Company, at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
7. Members are requested to bring their copies of the Annual Report to the meeting.
8. Members / Proxies are requested to bring with them the attendance slip and hand over at the entrance duly signed by them.
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.
10. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 4 to 6 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchange of persons seeking appointment/ re- appointment as Directors, are also annexed. The Board recommends the above resolutions for acceptance by the members.

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



SANJAY KUMAR BHARTIYA
(DIRECTOR)
(DIN NO - 00164281)

Place : PATNA
Date : 03/09/2014

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013(the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 6 of the accompanying Notice dated 3th September 2014:

Item No. 5 to 6: The Company had, pursuant to the provisions of the Act, appointed Mr. Atul Kumar, Mr. Abhishek Agarwal as Independent Directors.

Pursuant to the provisions of Sections 149 of the Act, which came into effect from 1st April 2014, every listed public company is required to have at least one-third of the total numbers of directors as Independent Directors. Further, an Independent Director shall hold office for a term upto five consecutive years on the Board of a company and is not liable to retire by rotation.

The above named Directors have given declarations to the Board that they meet the criteria of independence as provided under Section 149(6) and other applicable provision (if any).