



NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Thirty Seventh (37th) Annual General Meeting of the Members of NILACHAL REFRACTORIES LIMITED will be held at 12.30 P.M. on Tuesday, the 30th June 2015 at the Hotel Pushpak, Bhubaneswar to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year ended 31st March, 2014 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Bhagwati Prasad Jalan who retires by rotation, and being eligible, offer himself for re-appointment.
3. To appoint a Director in place of Mr. Vijay Kumar Agarwal who retires by rotation, and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Mr. Vimal Prakash who retires by rotation, and being eligible, offer himself for re-appointment.
5. To appoint Auditors and fix their remuneration and in this connection, to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s. P. Mukhopadhyay & Co. , Chartered Accountants, Kolkata, the retiring auditors be and is hereby appointed as Statutory Auditors of the Company to hold office as such from the conclusion of this meeting till the conclusion of next Annual General Meeting at such remuneration as may be fixed by the Board of Directors of the Company based on the recommendation of Audit Committee .

SPECIAL BUSINESS

6. To appoint Mr. Saravanan Asokan, Vice President Works of the company to as Whole Time Director [Din No. 07019583] of company at such remuneration mentioned in Explanatory Notes. Ordinary Resolution :

RESOLVED THAT pursuant to the provisions of sections of 196,197,203 and other applicable provisions, if any, of the Company Act,2013(the Act) read with Schedule V, thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Consent of the Company be and is hereby granted to the re-appointment to Shri Saravanan Asokan [Din No. 07019583], as CEO and Whole Time Director of the Company for a period of five Years with effect from 25th November 2014 whose office shall be subject to determination by retirement of directors by rotation, on terms and conditions as to remuneration and otherwise as set out in the letter of re-appointment .

FURTHER RESOLVED THAT in the event of absence or inadequacy in any Financial Year during the aforesaid period of five years , the Company will pay to Mr. Saravanan Asokan remuneration by way of salary and perquisites not exceeding the ceiling laid down in section II of Part II of the Schedule V to the ACT or any modification or re-enactment thereof as minimum remuneration, subject to such approvals as may be required.

7. To appoint Mr. Sundaresan Radhakrishnan as Independent Director [Din No. 00009818] of company.

“**RESOLVED THAT** pursuant to the provisions of sections 149,152 read with Schedule IV and any other applicable provisions of the Companies Act,2013 and the rules notified there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the listing agreement, Mr. Sundaresan Radhakrishnan(Din No. 00009818),is appointed as Independent Director of the Company to hold office for five consecutive years.”

8. To appoint Mr. Ramesh Dhandhanian as Independent Director [Din No. 00375424] of company .

“**RESOLVED THAT** pursuant to the provisions of sections 149,152 read with Schedule IV and any other applicable provisions of the Companies Act,2013 and the rules notified there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the listing agreement, Mr. Ramesh Dhandhanian (Din No. 00375424),is appointed as Independent Director of the Company to hold office for five consecutive years.”



9. To appoint Mr. Tej Bahadur Singh as Independent Director [Din No. 02047801] of company .

“RESOLVED THAT pursuant to the provisions of sections 149,152 read with Schedule IV and any other applicable provisions of the Companies Act,2013 and the rules notified there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the listing agreement, Mr. Tej Bahadue Singh (Din No. 02047801),is appointed as Independent Director of the Company to hold office for five consecutive years.”

10. To appoint Mrs. Bindu Jain as Woman Independent Director [Din No. 07159504] of company .

“RESOLVED THAT pursuant to the provisions of sections 149,152 read with Schedule IV and any other applicable provisions of the Companies Act,2013 and the rules notified there under (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the listing agreement, Mr. Bindu Jain (Din No. 07159504),is appointed as Independent Director of the Company to hold office for five consecutive years.”

By Order of the Board
Nilachal Refractories Limited

Aditya Purohit
(Company Secretary)

Place : Kolkata
Date : May 31, 2015.

NOTES:

1. EVERY SHAREHOLDER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/HER AND SUCH PROXY NEED NOT BE A SHAREHOLDER. THE PROXY FORM COMPLETED IN EVERY RESPECT SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE TIME OF THE MEETING.
2. A Person can act as proxy on behalf of members not exceeding fifty and holding I the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect to the Special Business to be transacted at the Meeting is annexed hereto.
4. REGISTER OF MEMBERS AND SHARE TRANSFER WILL BE CLOSED FROM 25TH June , 2015 TO 30TH June, 2015 (BOTH DAYS INCLUSIVE).
5. Corporate Members are requested to send at Company’s Registered Office , a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
6. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange , brief profile of the Directors seeking re-appointment at this Annual General Meeting is as follows :-

Name of Director	Bhagwati Prasad Jalan	Vijay Kumar Agarwal	Vimal Prakash
Date of Birth	2 nd Feb 1946	28 th Oct 1945	28 th Oct 1951
Experience	B.Com Honours. He has experience of 40 years in Iron & Steel Industry.	B.Sc. He has experience of 40 years in Refractory Industry.	Ceramic Engineer. He has more than 35 years of experience.



7. Members are requested to notify promptly any change in their address to the Company's Registrar and Share Transfer Agent, M/s. S. K. Infosolutions Pvt. Ltd. The members are also requested to send all correspondence relating to shares, including transfers and transmissions to the Registrar and Share Transfer Agent.
8. Electronic copy of the Annual Report for the year 2013-14 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2013-14 are being sent in the permitted mode.
9. Electronic copy of the Notice of the Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in the permitted mode.
10. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of NSDL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM. The Board of Directors of the Company has appointed Mr. Rajashri Ghosh (Membership No. ACS-17717), as the Scrutinizer for this purpose.

The Scrutinizer shall, at least three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The procedure with respect to e-voting is provided below:-

1. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
2. Launch internet browser by typing the URL <https://www.evoting.nsd.com/>
3. Click on "Shareholder - Login".
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsd.com
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
7. Select "EVEN" of Nilachal Refractories Limited . Members can cast their vote online from June 26, 2015 (5:00 pm) till June 29, 2015 (5:00 pm).
8. Note: e-Voting shall not be allowed beyond said time.
9. Now you are ready for "e-Voting" as "Cast Vote" page opens.
10. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
11. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail (rajaghosh2002@gmail.com) with a copy marked to evoting@nsdl.co.in.
 - a. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.



- ii. Launch internet browser by typing the following URL: <https://www.evoting.nSDL.com/>
 - iii. Click on Shareholder - Login
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select “EVEN” of “Nilachal Refractories Limited ”.
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rajaghosh2002@gmail.com with a copy marked to evoting@nSDL.co.in
- a. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM)/ EGM/ EOGM :
 - ii. EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - iii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

General Information

- I. Every Client ID No. / Folio No. shall have one e-vote, irrespective of the number of joint holders.
 - II. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on cutoff date i.e. 05-06-2015.
 - III. E-voting right cannot be exercised by a proxy.
 - IV. The Results of the e-voting will be declared on or after the date of the AGM i.e. 22-07-2015. The declared Results, alongwith the Sarutinizer’s Report, will be available on the Company’s corporate website www.nilachal.in under the section ‘Investor Information’ and on the website of NSDL; such Results will also be forwarded to the Stock Exchange where the Company’s shares are listed.
11. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliance and has issued circular nos. 17/2011 dated 21.04.2011 and 18/2011 dated 29.04.2011 which states that service of notice/documents including Annual Report can be sent by e-mail to its members. To support the said green initiative, members holding shares in demat form, who have not registered their e-mail address as of now, are requested to register the same with their respective Depository Participant and members holding shares in physical form are requested to register their valid e-mail address with the S.K.Infosolutions private limited 34/1 A Sudhir Chatterjee Street, Kolkata 700 006. Telephone No. 033 2219 6797, Fax No. 033 2219 4815, mentioning their name and folio no.

By order of the Board
For Nilachal Refractories Limited

Place: Kolkata
Date : May 31, 2015.

Aditya Purohit
Company Secretary



ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 203 OF THE COMPANIES ACT, 1956

Item: 6 : Appointment of Whole Time Director

Mr. Saravanan Asokan, Vice President Works of the company is an MBA with B Tech and M.Tech in chemical Engineering and has vast expertise in the field of Manufacturing Industry and hence the board proposes to use the rich expertise the of Mr. Saravanan Asokan and thereby benefit it self .

Mr. Saravanan Asokan appointment and terms of remuneration is pursuant to article 135 of the Articles of Association of the Company and Section 196, 197, 203 and Schedule V of the Companies Act 2013 and all other applicable provisions of the said Act. His terms of appointment and remuneration as set out in the draft agreement and as mentioned in the proposed resolution will be subject to consent of Members in the ensuing Annual General Meeting. The terms and conditions of the appointment of Mr. Saravanan Asokan as set out in the resolution may also be treated as an abstract of the terms of draft agreement .Mr. Saravanan Asokan remuneration shall be as follows on yearly basis with effect from appointment.

Particulars	Amount In Rs. (Per Annum)
Basic Salary	806400.00
HRA	360000.00
Education Allowance	2400.00
Grade Allowance	102000.00
Soft Furnishing Allowance	24000.00
Special Allowance	204000.00
LTA	164196.00
Medical Reimbursement	15000.00
Total	1677996.00



DIRECTORS REPORT

Dear Members

Your Directors are pleased to present the Thirty Seventh (37th) Annual Report together with the Audited accounts of your Company for the year ended 31st March, 2014.

FINANCIAL HIGHLIGHTS

(RS. IN CRORES)

Particulars	2013-14	2012-2013
Revenue from Operations (Net of Excise duty)	9.67	27.18
Other Income	0.18	0.13
Total Expenses	15.91	28.07
Profit /(Loss) before tax(PBT)	(6.05)	(0.76)
Profit /(Loss) during the year	(5.47)	(0.54)

FINANCIAL REVIEW

As can be observed from the above your Company's Operations were adversely affected mainly due to Labour Problems and industrial slowdown and in amidst of the same the company is managed with steady cautious measures. The Company's factory was declared lock out with continuous impasse being created by the workmen/labourer resulting in stoppage of work at factory and to safeguard the assets of the Company and life of its employees the lock out was declared lock out w.e.f 24th Mach 2014 and ceased on 19th Dec 2014.

The Directors are quite hopeful that the operations of your Company will improve henceforth compared to this unforeseen difficult period.

Special Resolution Passed: During the year under review one special resolution was passed during the year under review in Extra-Ordinary General Meeting held on 31st March 2014 for Issue of Zero percent Redeemable Preference Shares.

DIVIDEND:

In view of brought forward losses, your directors are unable to recommend any dividend for the financial year ended 31st March, 2014.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and Article 115 of the Article of Association of the Company, Shri Vimal Prakash, Shri Vijay Kumar Agarwal , Shri Bhagwati Prasad Jalan Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment. Notice Pursuant to section 257 of the Companies Act 1956, together with Requisite Deposits have been received from some members proposing the candidature for being re-elected to the office of the directors.

DIRECTORS' RESPOSIBILITY STATEMENT

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm

- i. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- ii. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the Loss of the Company for the year ended on that date.
- iii. That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance



with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. That the directors had prepared the annual accounts on a going concern basis

PARTICULARS OF EMPLOYEES

None of the employees of your Company come under the provisions of the section 217(2A)(a) of the companies (Particulars of Employees) Rules 1975. As a result, no disclosure in this regard is necessary

ENERGY , TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE ETC

Information pursuant to section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 in respect of conservation of Energy and Technology Absorption and Foreign Exchange Earning and Outgo is given in Annexure – I, forming part of this Report.

INDUSTRIAL RELATIONS

The Company has always aimed to maintain cordial relations with its industrial personnel and will continue to do in future.

ISO CERTIFICATION

Your Company is having a status of ISO 9001:2000 Certification. Your company is highly committed to the highest standard of quality.

CORPORATE GOVERNANCE

The Company is committed in maintaining the highest standards of Corporate Governance and adheres to the stipulations prescribed under clause 49 of the Listing Agreement with the Stock Exchange. A Report on Corporate Governance & Shareholders Information together with a Auditors' Certificate regarding Compliance of the same are annexed as a part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

In accordance with the Listing Agreement Requirements, Management Discussion & Analysis Report is presented in a separate section, forms a part of the Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Management continuously reviews the Internal Control Systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. Internal Control System are implemented to safeguard the Company's assets from loss or damage, to keep a constant check on the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and implement accounting standards.

The board have appointed a Chartered Accountants firm who are conducting the Internal Audit of the Company. The report thereof is placed before the Audit Committee.

INSURANCE

The assets of the Company are adequately insured against the loss of fire and other risks which are considered necessary by the management.

FIXED DEPOSITS

Your company has not accepted any public deposits within the meaning of the Section 58A of the Companies Act, 1956 during the year under review.



LISTING

The equity shares of your Company continued to be listed on Bombay Stock Exchange Limited (BSE) and Calcutta Stock Exchange Limited (CSE).

CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility is the continuing commitment by the business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

As a part of its policy for corporate social responsibility, the Company undertakes a range of activities to improve living conditions of the people in the neighborhood of all its plants. In structuring its efforts to the various aspects of Corporate Social Responsibilities, the Company takes account in guidelines and statements issued by stakeholders and other regulatory bodies. Corporate Social Responsibility and Sustainable development will continue to be the leading priorities at the Company which it shall consistently strive to touch lives and makes a difference.

The Directors noted the observations made by Auditors with regard to method of accounting pursuant to Accounting Standard 15 and will give the effect of the same in coming year .

APPRECIATION

Your Directors record their sincere appreciation for the assistance, support and guidance provided by Company's Customer, Supplier, Government Authorities, Bankers, investors, financial institution and shareholders for their consistent support to the company. The Directors also commend the continuing commitment and dedication of the employees at all levels which has been critical for the Company's growth. The Directors look forward for their continuing support in future.

For and on behalf of the Board

Place: Kolkata

Date: 25th March , 2015

**Bhagwati Prasad Jalan
Chairman**



ANNEXURES TO DIRECTORS' REPORT

Information under section 217(1)(e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013

A. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken:

The Company is committed to conserve energy and making best use of the resources. A considerable amount of time and effort will be earmarked for conserving power across all our plants.

- Idle running of Machines has been controlled
- Operating efficiency of Shaft Kiln has been improved.
- Successful simultaneous operation of two Gas producers to fire increased green production and bring down the specific consumption of coal.

(b) Additional investments and proposals, if any, being implemented for the reduction of consumption of energy: No additional investment is proposed but all efforts are on to conserve energy by improving operation . Constant reviews of operations and process is being done to identify energy saving areas.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption an consequent impact on cost of production of goods.

With the implementation of the above measures, there will be considerable reduction in energy consumption.

(d) Total energy consumption and energy consumption Impact of the measures at (a) and (b) above for reduction of energy consumption and energy consumption per unit of production as per Form A of the Annexure is annexed.

B. TECHNOLOGY ABSORPTION:

The details of the efforts made towards absorption of technology are given separately in the Report in Form B

C. FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange Earning : Rs. 1515934/-

Foreign Exchange Out Go : Rs. 600750/-



FORM- A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. Power and fuel consumption:

Particulars	2013-14	2012-13
1) Electricity		
(a) Purchased		
Units(K wh)	489096	2755584
Total Amount(Rs)	3834801	1,54,49,288
Rate per unit (in Rs./Kwh)	7.84	5.61
(b) Own Generation		
Through Diesel Generator		
Unit (Kwh)	5590	37550
Unit per Ltr. of Diesel oil	1.47	2.45
Cost/Unit (Rs.)	36.93	18.99
Through Steam Turbine Generator	NA	NA
2) Steam Coal Grade 'B' and E used in Gas Producer.		
Quantity (Tonnes)		
Total Cost (RS)	-----	9565
Average Rate (Rs/MT)	-----	4,51,92,150
	-----	4725
3) Furnace Oil & L.D.Oil		
Quantity (KL)		
Total Amount (Rs.)	-----	398KL
Average Rate	-----	1,55,41,119
	-----	38,966
4) LSHS Other Internal Generation	NA	NA

B. Consumption per unit of production

Particulars	2013-14	2012-13
1) Refractories Produced (MT)	1197.45	20137
2) Electricity (KWH/Ton)	172.49	138
	-----	17.08
3) Furnace oil & L.D Oil (Litres/Ton)	NA	NA
4) LSHS (Kg/Ton)	-----	475
5) Steam Coal (Gross) Grade B & E (KG/Ton)	-----	338
6) Net Coal after dust (Kg/Ton)		



FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research and Development (R&D)

- 1 . Specific areas in which R & D was carried out by the Company:

No R & D was carried out with in the meaning of applicable standard.

- 2 . Benefits derived as a results of the above R & D

Not Applicable

- 3 . Future plan of action:

Your Company recognizes the need for cleaner and greener environment by taking various conservation measures, reduction of emission of harmful substances in the environment, reduction in wastages and various other useful measures. It further plans to improve its productivity and quality.

- 4 . Expenditure on R & D

Nil

Technology absorption, adaption and innovation: N.A.

For and on behalf of the Board

Place: Kolkata

Date: 25th March, 2015

**Bhagwati Prasad Jalan
Chairman**



ANNEXURE – A

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry structure and developments:

Fortune of your Company which is in refractory industry is directly linked to the performance of Steel Industry as it is the largest consumer of refractory products. The other consumers of refractory products are Cement, Copper, Glass, Aluminium and Petro-chemical industries etc. which are witnessing reasonable growth, All these factors will have a very positive impact on the growth of refractory industry in near future.

Nilachal Refractories Ltd. (NRL) is having its manufacturing unit in the State of Odisha near Dhenkanal. The Plant is strategically located and the Company hopes to take advantage of the boom in Steel and Aluminium industry in the region in times to come.

2. Opportunity, threats, risks and concerns:

Consequent upon technology advancement in steel making processes, major opportunity lies in manufacturing of continuous casting refractories, special monolithics viz. Castables, Plastic based ramming mass and gunning materials, etc. The Company is having its vision in line to this technology change.

Demand for refractories has increased substantially due to increased steel and Aluminium production in India. The future of the Company is bright with huge steel and aluminum manufacturing capacities being created in India especially in Odisha and Jharkhand.

Competition in refractory industry is building up. Lot of consolidation and re-organization is taking place in refractory industry. Input costs mainly the increase in cost of raw materials is also a cause of concern for refractory industry. Cost reduction measures will play an important role in keeping the unit viable in the face of stiff competition. Your Company has taken several cost reduction measures for improving operations to bring down the cost of production and is hopeful to successfully meet the challenges of competition.

Further during the year under review there have been continuous labour unrest and which took its toll on company's financial position and this is one of serious concerns of the company as on date for which remedial actions are already in place. The Company shall commence its production afresh and will be back at its dominant position. The Company at present is at consolidation stage post all these problems.

The turnover from refractories items is Rs. 1055.59 lacs during the year under review.

3. Outlook:

Production in steel industry has increased and the demand for refractory products is also increasing. NRL will not be able to survive by basing its products mix on low-end products. For a sustained growth, NRL will have to go for high value products for which your Company has started taking initiatives.

There are many small and large Steel and Aluminium Plants coming up around Dhenkanal and Odisha State on the whole which will demand high-end products. With this we estimate a large requirement of quality products with high value which should boost our total turnover as well as bottom line. In order to face this challenge, your Company emphasis on Human Resource Management and Human Resource Development which will ensure a capable and motivated team in place post settlement of all these labour issues. The Company is going to start afresh and shall have a new horizon.



4. Internal control system and their adequacy:

Information, reports, records, documents, transaction statements etc. are generated continuously in the organization and the inputs contained therein serve as a strong foundation for accelerated decision making. Great authenticity is lent to such inputs which represents the foundation for effective decisions. The Company has established proper internal control systems and procedures, which are compatible with size of its operation and business. The firm of Chartered Accountant is conducting internal audit of operations to ensure that the system are adhered to and controls are not flouted. Internal Audit Reports encompasses all aspects of operations, accounts, purchase, stores, production and marketing; all omission and deviation, if any are properly recorded for remedial action. Cost Auditor is separately appointed to audit Cost Accounts, the reports of Internal Auditors and Cost Audit Report monitors effectiveness and operational efficiency of internal control systems. The Audit Committee periodically provides valuable suggestions to improve the business processes, systems and internal controls and briefs the Board of Directors about areas of concern.

For and on behalf of the Board of Directors

Place : Kolkata
Dated: 25th March 2015

**Bhagawati Prasad Jalan
(Chairman)**



ANNEXURE -B

CORPORATE GOVERNANCE

Company's philosophy on code of governance

The basic objective of corporate governance policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with the statutory requirements but to go beyond them by putting into place procedures and systems, in accordance with best practices of governance. Your Company believes that Good Corporate Governance enhances the trust and confidence of all the stakeholders. Good practice in corporate behaviour helps to enhance and maintain public trust in companies and stock market.

Your Company reviews its corporate governance practices to ensure that they reflect the latest developments in the corporate arena positioning itself to conform to the best corporate governance practice. Your Company is committed to pursue excellence in all its activities and maximize its shareholders' wealth.

The Company's corporate governance policies and practices focus on the following principles:-

- To recognize the respective roles and responsibilities of the Board and Management.
- To achieve the highest degree of transparency by maintaining a high degree of disclosure levels
- To ensure and maintain high ethical standards in its functioning
- To give the highest importance to investor relations
- To ensure a sound system of risk management and internal controls
- To ensure that employees of the Company subscribe to the corporate values and apply them in their conduct
- To ensure that the decision making process is fair and transparent
- To ensure that the company follows globally recognized Corporate governance practices

Board of Directors :

The Company has Non-Executive Chairman (Promoter). As per clause 49 of the Listing Agreement, at least half of the Board should comprises of Non Executive Directors and if the Chairman is an Non-Executive Chairman (Promoter), at least half of the Board should consist of Independent Directors. The Board complies with clause 49. The board ensures the desired level of independence in functioning and decision making. More over all the Non – Executive Directors are eminent professionals, and bring the wealth of their professional expertise and experience to the management of the Company.

Composition of Board of Directors and details of their shareholding in the Company and external directorship and membership of the Board Committees

The Composition of the Board of Directors

Name of the Director	Category	Relationship with Other Director	Date of Joining	No. of Board Meetings	Attendance of meetings during, 2013-14		No. of Directorships and Committee Memberships/ Chairmanships		
					Board Meeting	Last AGM	Other Directorships*	Committee Membership	Committee Chairmanship
Mr. Bhagwati Prasad Jalan Din No. 00551459	Chairman	Father of Niraj Jalan	19 th Dec 2005	7	7		1	---	---
Mr. Niraj Jalan Din No.00551970	Director	Son of Bhagwati Prasad Jalan	06 th May 2006	7	6		1	---	---
Mr. Vimal Prakash Din No. 00174915	Director		06 th May 2006	7	6		-	---	---
Mr. Vijay Kumar Agarwal Din No. 00121351	Director		19 th Dec 2005	7	7		2	---	---
Mr. Sribash Chandra Mishra Din No. 01983910	Independent Director		31 st Jan 2007	7	2	Yes	-	2	1
Mr. Amitava Chaudhuy Din No. 0668138	CEO & Whole Time Director		30 th June 2013	7	4	Yes	-	2	1
Mr. Ramesh Dhandhanian Din No.00375424	Independent Director		01 st Feb 2014	7	3		-	1	

excluding Foreign Companies, Private Companies and Section 25 companies



Note :During the year under review Mr. Sajjan Bhajanka resigned on 30-06-2013,Mr. Kamal Kishore Sarda and Mr. Hari Krishna Chaudhary resigned on 14-08-2013 and Mr. Suresh Prasad Nepak (attended one board meeting) resigned on 08-07-2013 and Mr. Raj Kumar Bajoria(attended four board meeting) resigned on 13-02-2014 CITING PERSONAL REASONS.

The Board extends their gratitude for the valuable support and guidance to the company.

Further the Board Inducted Mr. Ramesh Dhandhanian in the Board as Independent Director. And Mr. Amitava Chaudhry as CEO and Whole time Director which was approved by Shareholders.

All the Independent directors of the Company furnishes a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations were/are placed before the Board.

(A) Board Procedures

(a) Number of Board Meetings held, dates on which held

Seven board meetings were held during the financial year from 1st April 2013 to 31st March, 2014. The dates on which the meetings were held are as follows:

30TH June 2013 , 08th July-2013, 14th August 2013, 14th November 2013, 13th February 2014, 29th March 2014 & 31st March 2014.

(b) The information made available to the Board includes the following

1. Annual Operating Plans and budgets and any updates.
2. Capital budgets and any updates
3. Quarterly results for the Company and its operating divisions or business segments.
4. Minutes of meetings of audit committee and other committees of the board.
5. Information on recruitment and remuneration of senior officers just below the board level including appointment or removal of CFO and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices which are materially important.
7. Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems, if any
8. Any material default in financial obligations to and by the Company or substantial non payment for goods sold by the Company.
9. Any issue which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
10. Details of any joint venture, acquisition of companies or collaboration agreement.
11. Transaction that involves substantial payment towards goodwill brand equity or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development on Human Resource/ Industrial Relation front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale of material nature, of investments, assets which is not in the normal course of business
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risk of adverse exchange rate movements, if material.
15. Non- Compliance of any regulatory, statutory or listing requirements and shareholders services such as non - payment of dividends, delay in share transfer etc.

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non- compliance.

(B) Code of Conduct for Board Members and Senior Management Personnel

The Board of Directors had adopted a Code of Conduct for the Board Members and Senior Management Personnel. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal



requirements, specifically under clause 49 of the Stock Exchange Listing Agreement of the Company. The Code is aimed at preventing any wrongdoing and promoting ethical conduct at the Board and Senior Management level.

The declaration regarding Compliance with the code of conduct as required under Clause 49 of the Listing Agreement with the Stock Exchange is appended to this report.

Code of Conduct for prevention of Insider Trading

The Company has adopted a code of conduct for prevention of insider trading in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Company Secretary of the Company is the Compliance Officer. All the Directors and Senior Management Personnel and such other designated employees of the Company who are expected to have the access to unpublished price sensitive information relating to the Company are covered under the said code. The Directors, their relatives, senior management personnel, designated employees etc... are restricted from purchasing, selling and dealing in the shares while being in possession of unpublished price sensitive information about the Company during certain prohibited periods.

I. Composition of Board Committees

Audit Committee	Shareholders/Investors Grievance Committee	Share Transfer Committee
Sri S.C.Mishra-Chairman	Sri Raj Kumar Bajoria – Chairman till 13-02-2014 and Mr. Ramesh Dhandhanian since then	Sri Amitava Chaudhry –Chairman
Sri Raj Kumar Bajoria – Chairman till 13-02-2014 and Mr. Ramesh Dhandhanian since then	Sri S.C.Mishra – Member	Sri Amulya Prasad Sahoo- Member
Sri Amitava Chaudhary Member		

AUDIT COMMITTEE

II. Composition of the Audit Committee:

The Company continued to derive immense benefit from the deliberations of the Audit Committee comprising of the following Independent Directors.

1. Sri S.C.Mishra , Chairman
2. Sri Raj Kumar Bajoria , Member
3. Sri Amitava Chaudhury

The Committee comprises of eminent professionals with expert knowledge in corporate finance. The Minutes of each audit committee meeting are placed before and discussed by the Board of Directors of the Company.

III. Meeting of Audit Committee

The Audit committee met five times during the year on 30th June 2013, 14th August 2013, 14th November 2013, 13th February 2014 , 29th March 2014.

Sl. No.	Name of the Member	Designation	Number of Meetings held	Number of Meetings attended
1	Sri S.C.Mishra	Chairman	4	4
2	Sri Raj Kumar Bajoria – till 13-02-2014 and Mr. Ramesh Dhandhanian.	Member	4	4
3	Sri Amitava Chaudhury	Member	4	4



IV. Powers of the Audit Committee

The powers of the Audit Committee include the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

V. Function of Audit Committee

The role of the Audit committee includes the following

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to :
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same.
 - (iii) Compliance with listing and other legal requirements relating to financial statements.
 - (iv) Disclosure of any related party transactions.
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Discussion with internal auditors any significant findings and follow up
- Reviewing, the findings of any internal investigations by the internal auditors
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post – audit discussion to ascertain any area of concern.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
- The Audit Committee shall mandatorily review the following
 - i. Management discussion and analysis of financial condition and result of operation
 - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
 - iii. Management letters/letters of internal control weakness issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses; and

SHAREHOLDERS / INVESTORS COMMITTEE:

A) SHARE TRANSFER COMMITTEE:-

The Share transfer Committee was constituted to deal with matters pertaining to Share Transfer /transmission, issue of duplicate Share Certificates, approving the split and consolidation request and other materials relating to transfer and registration of Shares.

The members of the committee are Sri Amitava Chaudhary, Whole time Directors and Sri Amulya Prasad Sahoo, DGM Finance. The Committee met on following occasions 15-11-2013 and 25-03-2014.

B) SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE

The Shareholders/Investors Grievance Committee specifically looks into issues such as redressing of shareholders' and investors' complaints such as transfer of shares, ensuring expeditious redressal.



The Shareholders/Investors Grievance Committee reviews and redress all the grievances periodically and meets as and when required . The Company have not received any grievances during the financial year 2013-14 This Committee comprises of the following two Directors.

Sri Raj Kumar Bajoria	Chairman [till 13-02-2014]
Sri S.C. Mishra	Member

The Company Secretary is designated as the Compliance Officer. Post resignation of Mr. Bajoria, Mr. Ramesh Dhandhanian has taken over as chairman of the Committee.

During the period under review one meeting of the Committee was held on 25th of March 2014.

SUBSIDIARIES

As per clause 49 of the Stock Exchange Listing Agreement, your company does not have any Material non – listed Subsidiary Company whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the Immediately preceding accounting year.

DISCLOSURES

a. Related Party Transactions

There were no materially significant related party transactions, pecuniary transaction or relationships between the Company and its directors, promoters or the management that may have potential conflict with the interest of the Company at large except the details of transactions disclosed in Point no.8 of note 24 on accounts forming part of the Accounts as required under Accounting Standard 18 of the Institute of Chartered Accountants of India, and all related party transactions are negotiated on an arms length basis.

All details relating to financial and commercial transactions, where directors may have potential interest are provided to the Board and the interested Directors neither participated in the discussion nor do they vote in such matters. The Audit Committee of the Company also reviews related party transactions periodically.

b. Accounting Treatment

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

c. Management

The Management's Discussion and Analysis Report is appended to this report.

d. Shareholders

- Disclosures regarding appointment or re-appointment of Directors

As per the Companies Act, 1956 at least 2/3rd of the Board should consist of retiring Directors, of these at least 1/3rd are required to retire every year.

Except the Managing Director all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 1956. Shri Vimal Prakash, Sri Vijay Kumar Agarwal, Shri Bhagwati Prasad Jalan will retire at the ensuing Annual General Meeting and being eligible offers themselves for re appointment.

- Communication to shareholders

The unaudited quarterly/ half yearly financial statements are announced within forty five days of the end of the quarter. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the stock exchange where the shares of the company are listed. Once the stock exchange have been intimated these results are published within 48 hours in two leading newspaper – One in English and one in Odia.

The audited annual results are announced with in two months from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchange. But since their was unprecedented labour/workmen



agitation to make the management fulfill their extortionate demand , but the efforts of management for conciliation led no fruitful results . The management was left with no option but to declare Lock –out since their was threat to life and property of the company by the agitators. The impasse continued and the agitators blocked the entrance to factory of those who were willing to work . Thereby not able to comply the obligation with the clause 41 of the listing agreement for the treasons beyond its control . For the purpose of submission of financial accounts, our primary books are kept and maintained at factory but the agitators made it inaccessible for us to enter and work.

- Investors’ Grievances and Share Transfer

As mentioned earlier, the Company has a Board-level Investors Grievance Committee to examine and redress shareholders and investors’ complaints. The status on complaints and share transfers is reported to the Committee.

For matters regarding shares transferred in physical form, share certificates, change of address etc shareholders should send in their communications to S K Infosolutions Pvt. Ltd. our registrar and share transfer agent. Their address is given in the section on shareholder information.

- Details of Non- Compliances

The company is regular in compliant to statutory rules and regulations and no penalties or strictures have imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years. But due to in accessibility to its factory and records the Company was not able to comply with Clause 41 and hence pursuance to SEBI circular no. CIR/MRD/DSA/31/13 dated 30th September, 2013 actions have been initiated by Bombay Stock Exchange Limited against the same actions have been taken at Honourable High Court of Kolkata.

- General Body Meetings

The location, date and time of Annual General Meetings held during the preceding three years are given below:

Year	Venue	Day & Date	Time
2010-11	Hotel Swosti	Friday , 30th September 2011	12:30 PM
2011-12	Hotel Sun Green	Friday , 28th September 2012	12:30 PM
2012-13	Hotel Sun Green	Friday, 20th September, 2013	12:30 PM

- Postal Ballots

During the year there were no ordinary or special resolutions passed by the members through Postal Ballot.

- Proceeds from public Issue/ Preferential Allotment

During the year under review the company converted unsecured loan aggregating Rs 93219100 into Zero % Preference Shares on 31-03-2014.

- Remuneration Policy

The Company is paying only to Professional Director Mr. Amitava Chaudhury as a part of his yearly emolument as approved by Share Holders, other directors are not paid.

CEO/CFO CERTIFICATION

As required by clause 49 of the Listing Agreement, the certificate from Sri S.Asokan , Chief Executive Officer , was placed before the Board of Directors at their meeting held on 25th March ,2015.

COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

- i. Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in clause 49 of the Listing Agreement with the Stock Exchange.

The Company has not adopted non – mandatory requirements such as training of board members, mechanism



for evaluating the non- executive board members and whistle blower policy. However the Company has fully complied with SEBI guidelines relating to Corporate Governance in respect of compliance of mandatory requirements.

AUDITORS REPORT ON CORPORATE GOVERNANCE

As required by clause 49 of the Listing Agreement, the auditors' certificate is given as an annexure to the Directors Report.

1. Means of Communication:

- **Financial Results:**

Due to unprecedented labour/workmen agitation to make the management fulfill their extortionate demand and the efforts of management for conciliation not leading to any fruitful results . The management was left with no option but to declare Lock –out since their was threat to life and property of the company by the agitators. The impasse continued and the agitators blocked the entrance to factory of those who were willing to work . Thereby not able to comply the obligation with the clause 41 of the listing agreement for the treasons beyond its control . For the purpose of submission of financial accounts, our primary books are kept and maintained at factory but the agitators made it inaccessible for us to enter and work and all updates were sent immediately to the stock exchange with which the shares of the Company are listed.

- **Other information:**

The Company has email address aditya@nilachal.in to interface with the investors.

- **Management's Discussion and Analysis Report:**

The Management's Discussion and Analysis report forms part of the Annual Report.

2. General Shareholders' information:

- AGM: Date, Time & Venue – 30th June, 2015 at 12:30 P.M. at 'Hotel Pushpak, Bhubaneswar'

As required under clause 49IV(G)(i), particulars of Directors seeking appointment/re- appointment are given in the Notice of the Annual General Meeting to be held on 30th June, 2015.

- Financial Year Calendar for 2013-14 (Tentative)

Results for the quarter ending 30th June, 2014	August, 2014*
Results for the quarter ending 30th September, 2014	November, 2014*
Results for the quarter ending 31st December, 2014	February, 2014*
Results for the quarter ending 31st March, 2014	May, 2015

* As the Company's factory was lock out we.f. 24th March 2014 to 19th Dec 2014, company was not able to furnish the results of first three quarters as per schedule and hence complied once the locked out ceased out at factory.

- **Date of Book Closure:**

The books will be closed for the Annual General Meeting from 25th June, 2015 to 30th June, 2015 (both days inclusive).

- **Dividend Payment :-**

No dividend is recommended by the Board of Directors for the year.

- **Listing on Stock Exchanges:**

The Company's equity Shares are listed on the Stock Exchange located at Mumbai and Kolkata	The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers , Dalal Street , Mumbai – 400 001
	The Calcutta Stock Exchange Association. Limited 7, Lyons Range, Kolkata – 700 001
	INE416N01013
ISIN No. of company's equity Shares in Demat Form	With Central Depository Services (India) Limited (CDSL) and
Depositories Connectivity	National Securities Depository Limited (NSDL)



- Stock Code:
The Calcutta Stock Exchange Association Limited - 19120
The Bombay Stock Exchange Limited - 502294
- Registrar and Transfer Agent:
Physical & Demat: S K infosolutions Pvt.Ltd
34/1 Sudhir Chatterjee Street, Kolkata – 700006
Share Transfer System: All the shares are being transferred and returned within 15 days from the date of receipt, so long as the documents have been cleared in all respect.

- Distribution of Shareholding as at 31st March

1. According to Category of Holding:

Shareholders	As on 31st March,2014		As on 31st March,2013	
	No. of Shares	%	No. of Shares	%
Promoters	14378116	70.71	13378116	65.70
Financial Institutions	50000	0.25	50000	.25
Private Corporate Bodies (Excluding Promoters)	1703326	8.37	1704502	8.37
Public	4230008	20.77	5228832	25.68
Total	20361450	100	20361450	100

2. According to Number of Shares held: 31-03-2014

Shareholding Range	No. of shareholders	% of Shareholders	No. of shares	% of Shareholding
1-500	2920	95.24	316972	1.56
501-10,00	84	2.74	65109	0.32
1001-2000	20	0.65	28650	0.14
2001-3000	1	0.03	2745	0.01
3001-4000	1	0.03	3250	0.02
4001-5000	-	-	-	-
5001-10000	-	-	-	-
10001 and above	40	1.30	19944724	97.95
Total	3066	100.00	20361450	100.00

- i. Dematerialisation of Shares: As stated earlier, the Company' shares are listed on the Stock Exchange. As per the SEBI notifications, trading in Company's shares has been made compulsorily in dematerialised form w.e.f. 26th December, 2000 and Company's Registrar & Transfer Agent have established connectivity with NSDL & CDSL. But Subsequent to lock out being declared and company not able to comply with requirements of listing agreement , the Company's Scrip has been suspended for trading on BSE w.e.f 28th Nov 2014 and aggrieved by the order the Company has filed a writ petition against the same in Honorable High Court Of Calcutta.

- Address for Correspondence Nilachal Refractories Limited
Registered Office : Plot No- P598/599 , Kedarnath Apartment, Mahabir Nagar
Lewis Road , Bhubaneswar-751 002, Odisha
Plant Location: Nilachal Refractories Limited ,
Ipitata Nagar , Dhenkanal 759 013, Odisha



CEO/CFO CERTIFICATION TO THE BOARD

**To the Board of Directors
Nilachal Refractories Limited**

Pursuant to the provisions of Clause 49(V) of the Listing Agreement, I, S.Asokan , Chief Executive Officer hereby certify that

- (a) I have reviewed the Financial Statement, and the Cash Flow Statement for the year 2013-2014 and that to the best of our knowledge and belief;
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that i have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal control.
- (d) I have indicated to the Auditors and the Audit Committee;
 - (I) significant changes in internal control over financial reporting during the year;
 - (II) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (III) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours Sincerely

**S. Asokan
(Chief Executive Officer)**

Place : Kolkata
Dated : 25th March 2015



AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the members of
Nilachal Refractories Limited

We have examined the compliance of conditions of corporate governance by Nilachal Refractories LIMITED (“the Company”) for the year ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement entered into by the Company with the stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the management, we certify that the Company has Complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

We further 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 P Mukhopadhyay & Co.
Chartered Accountants
Registration No.- 302085E

Subhas Mukhopadhyay
Partner
Membership No.- 050384

PLACE : Kolkata
DATE : 25 March, 2015

To
The Board of Directors
Nilachal Refractories Limited
Bhubaneswar: 751014. Odisha

25th March , 2015

Dear Sir(s)

I do hereby certify that all the members of the Board of the Directors of the Company and the senior management personnel (incl. Key Managerial Personnel) have affirmed their compliance with the code of conduct laid down by the Board of the Directors.

This certificate is given in compliance with the requirements of the Clause 49 of the listing agreement entered into with the Stock Exchanges.

Dated : 25th March, 2015
Place : Kolkata

S. Asokan
CEO & Whole time Director



P.MUKHOPADHYAY & CO.,

CHARTERED ACCOUNTANTS

12-B, NETAJI SUBHAS ROAD, KOLKATA – 700001 PHONE 22309285, 22428856

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NILACHAL REFRACTORIES LTD

Report on the Financial Statement

1. We have audited the accompanying financial statements of Nilachal Refractories Limited, (the “Company”), which comprise the Balance Sheet as at 31st March, 2014, the statement of Profit & Loss and the cash flow statement for the year ended and the summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting standard notified under the Companies Act, 1956 (the Act) which continue to be applicable in respect of the section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of Internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the financial statements. The procedure selected depends on the Auditors' judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessment the auditor considers the internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Basis for Qualified Opinion

5. The liability for Gratuity and leave encashment has been determined on basis other than actuarial valuation and which is not in conformity with AS-15 viz., “Employee Benefits” issued by the Institute of Chartered Accountants of India and the Liability remains unfunded.

Qualified Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis Qualified Opinion paragraph, the 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 :-

1. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st. March, 2014 and;
2. In the case of Profit and Loss Account, of the Loss for the year ended on that date.
3. in the case of the Cash Flow Statement ,of the cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 27.12.7 to the financial statements regarding lock out of the factory of the Company for the period from 24th March 2014 to 19th December 2014.

Report on Other Legal and regulatory Requirements

7. As required by the Companies (Auditors' Report) Order, 2003, as amended by 'the Companies (Auditor's Report) (Amendment) Order,2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by Section 227 (3) of the Act, we report that::
 1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 2. In our opinion, proper books of account as required by law have been kept by the company, so far as it appears from our examination of those books.
 3. The balance sheet, the statement of profit & loss and cash flow statement dealt with by this report are in agreement with the books of account.
 4. In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the Balance Sheet and Statement of Profit and Loss and the cash flow statement comply with the accounting standards notified under the Act read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013 comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.
 5. On the basis of written representations received from the directors as on 31st March, 2014 and taken on record by the Board of Directors, that none of the directors is disqualified as on 31st March, 2014 from being appointed as a director of in terms of section 274(1) (g) of the Companies act, 1956

For P Mukhopadhyay & Co.
Chartered Accountants
Registration No.- 302085E

Subhas Mukhopadhyay
Partner
Membership No.- 050384

PLACE : Kolkata
DATE : 25 March, 2015



ANNEXURE II TO INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31st MARCH, 2014 OF NILACHAL REFRACTORIES LIMITED.

(Referred to in paragraph 6 of our report of even date)

- i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us the assets have been physically verified by the management during the year where no material discrepancies were noticed.
(c) During the year under review no asset has been disposed off.
- ii) (a) The inventory has been physically verified during the year by the management and no material discrepancies were noticed.
(b) The procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The company is maintaining proper record of inventory.
- iii) (a) It is reported to us that the company has not granted any loan, secured or unsecured to companies, firms or other parties covered under section 301 of the Companies Act, 1956.
(b) In view of our comment in paragraph iii(a) above, clause 3(b), 3(c) and 3(d) of paragraph iii of the aforesaid order are not applicable to the company.
(c) The company has taken unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The company, in order meet its financial commitment, has brought in further unsecured loan from the promoters/share holders amounting in total to Rs.813.76 lakh involving 11 parties, transferred Rs. 932.19 lakhs to 0% Preference Shares, against which 932191 preference shares have been issued at par involving 6 parties, repaid a sum amounting to Rs.1028.77 lakh involving 11 parties, retaining a balance of Rs. 552.57 lakh at the year end.
(d) Interest has been charged on such loans during the year and other terms and conditions of the loans taken by the company, secured or unsecured are, prima facie, not prejudicial to the interest of the company.
(e) The unsecured loan repayment is done on demand and during the year under review, the principal has been partly repaid to the tune of Rs. 1028.77 lakhs involving 11 parties and the company is regular in payment of principal and interest.
- iv) In our opinion and according to the information and explanations given to us and considering the status of the company mentioned elsewhere in this report, there are adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) (a) According to the information and explanations given to us, the particulars of contracts and arrangements referred in section 301 of the companies Act, 1956 other than as mentioned in clause (iii) above has been entered in the register maintained under that section.
(b) In our opinion and according to the information and explanations given to us, where each of such transactions is in excess of Rs.5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- vi) We are informed that, the unsecured loan brought in by the promoters/shareholders are not covered under Public Deposit pursuant to clause 2(b)(xi) of the Companies (Acceptance of deposits) Rules 1975.
- vii) The company had an internal audit system by external agency, commensurate with its size and nature of its business during the First quarter of the year under review.
- viii) Maintenance of cost records is being done as prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 in respect of the company.



- ix) a) The Company have paid undisputed statutory dues of Provident Fund, Employees State Insurance and Service Tax but there have been few instances for delayed payments in respect of the same, as regards to other statutory dues like Income Tax, Sales Tax, Wealth Tax, Custom Duty Excise Duty, Cess and Investor Education and Protection Fund, no irregularities in deposit of the same were noticed.
- b) According to the information and explanations given to us, the disputed tax liability of sales tax and entry tax assessment which have not been deposited is listed below:

Financial year to which the matter pertains	Forum where matter is pending	Amount Rs. In Lakhs
1999-00 to 2001-02	Additional Commissioner of Sales Tax, Central Zone, Orissa, Cuttack(Sales Tax)	72.18
2001-02	Assistant Commissioner of Commercial Tax, Range-II, Orissa, Cuttack (Entry Tax)	3.38
2002-03	Joint Commissioner of Commercial Tax, Angul Range, Angul, Orissa, (Entry Tax)	0.79
2002-03	Joint Commissioner of Commercial Tax, Angul Range, Angul, Orissa, (Sales Tax)	24.10

- x) The accumulated losses of the company at the year end is less than fifty percent of its net worth at the year end. The company has incurred cash loss during the year covered under this audit and had not incurred cash loss in the immediately preceding year.
- xi) As per the records and documents produced before us, we are of opinion that the company is regular in payment of dues to the Bank against Term Loan in the year under review.
- xii) The company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of any special statute applicable to chit fund or a nidhi/mutual benefit fund/society are not applicable to the company.
- xiv) The company is not dealing in or trading in shares, securities, debentures and other investments
- xv) As reported to us the company has not given any guarantee for loans taken by others.
- xvi) No Term Loan was taken during the year under Audit.
- xvii) According to the information and explanations given to us the fund brought in is being utilized for revival of the company and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- xviii) The Company has made preferential allotment of shares during the year to parties and companies covered under section 301 of the Act and we believe that the price at which the shares have been issued is not apparently prejudicial to the interest of the company.
- xix) The company has not issued any debenture during the year.
- xx) The company has not raised money by public issue during the year.
- xxi) In our opinion and according to the information and explanations given to us during the course of our audit, no fraud on or by the company has been noticed or reported during the year.

For P. Mukhopadhyay & Co.
Chartered Accountants
(Registration no. 302085E)

Kolkata
Dated: 25th March, 2015

Subhas Mukhopadhyay
Partner
Membership Number : 050384



NILACHAL REFRACTORIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

Particulars	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
A EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	2	39,73,31,600	30,41,12,500
(b) Reserves and Surplus	3	(2,26,73,073)	3,19,85,014
2 Non-Current Liabilities			
(a) Long-term borrowings	4	2,08,081	5,04,665
(b) Other long-term liabilities	5	12,00,090	30,70,993
3 Current Liabilities			
(a) Short-term borrowings	6	14,69,38,887	21,63,79,799
(b) Trade Payables	7	9,01,13,874	12,42,69,202
(c) Other current liabilities	8	5,10,29,311	4,04,29,707
TOTAL		66,41,48,772	72,07,51,880
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	9,90,15,064	10,50,93,496
(ii) CWIP		31,47,03,511	29,81,36,013
(b) Deferred tax assets (net)		3,42,08,912	2,82,85,215
(c) Long term loans and advances	10	1,02,37,479	1,01,22,247
(d) Other non-current assets	11	1,29,398	6,36,407
2 Current assets			
(a) Inventories	12	14,49,40,881	20,52,53,408
(b) Trade receivables	13	5,26,91,138	5,44,99,009
(c) Cash and cash equivalents	14	14,09,518	92,51,877
(d) Short-term loans and advances	15	68,12,871	94,74,208
TOTAL		66,41,48,772	72,07,51,880

See Significant Accounting Policies & Notes forming part of the financial statements

1

In terms of our report attached.
For P. Mukhopadhyay & Co.
Chartered Accountants
(Registration Number: 302085E)

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director

Subash Mukhopadhyay
Membership no : 050384

Aditya Purohit
Company Secretary

Niraj Jalan
Director

Vimal Prakash
Director

Place: Kolkata
Date: 25th March, 2015



NILACHAL REFRACTORIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	Note No.	For the year ended 31st March, 2014 ₹	For the year ended 31st March, 2013 ₹
A CONTINUING OPERATIONS			
1 Revenue from operations (gross)	16	10,55,59,783	30,26,69,155
Less: Excise duty		88,03,333	3,08,27,448
Revenue from operations (net)		9,67,56,450	27,18,41,707
2 Other Income	17	18,09,000	13,07,505
3 Total Revenue (1+2)		9,85,65,450	27,31,49,212
4 Expenses			
Cost of materials consumed	18	2,90,99,454	22,84,51,105
Purchases of stock in Trade	19	17,74,246	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	4,30,17,902	(6,43,00,026)
Employee benefits expense	21	3,63,38,468	1,94,20,995
Finance costs	22	1,46,53,006	1,25,81,252
Depreciation and amortisation expense	9	60,78,430	28,32,016
Other expenses	23	2,81,85,728	8,17,15,383
Total Expenses		15,91,47,234	28,07,00,725
5 Profit/ (Loss) before tax (3-4)		(6,05,81,784)	(75,51,513)
6 Tax expense:			
a. Current tax for current year		0	0
b. Current tax expense relating to prior years		0	0
c. Net Current tax expense		0	0
d. Deferred tax		59,23,697	21,18,248
7 Profit/(Loss) from operations (5+6)		(5,46,58,087)	(54,33,265)
8 Profit/(Loss) for the year (6+7)		(5,46,58,087)	(54,33,265)
9 Earnings per share (of Rs 10/-each)			
a. Basic		(2.68)	(0.57)
b. Diluted		(2.68)	(0.57)

**See Significant Accounting Policies & Notes
forming part of the financial statements** 1

In terms of our report attached.
For P. Mukhopadhyay & Co.
Chartered Accountants
(Registration Number: 302085E)

Subash Mukhopadhyay
Membership no : 050384

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director

Aditya Purohit
Company Secretary

Place: Kolkata
Date: 25th March, 2015

Niraj Jalan
Director

Vimal Prakash
Director



NILACHAL REFRACTORIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014

	For the Year ended 31st March, 2014 Amount (₹)	For the Year ended 31st March, 2013 Amount (₹)
A. Cash Flow from operating Activities		
Net Profit/(Loss) before tax	(6,05,81,784)	(75,51,513)
Adjust ment for :		
Depreciation	60,78,430	28,32,016
Interest Received	(3,51,481)	(7,94,565)
Interest Paid	1,46,53,006	1,25,81,252
Operating Profit before working Adjustment for :	(4,02,01,829)	70,67,190
Decrease/ (increase) in trade & other Receivable	23,14,880	3,29,51,644
Decrease/ (increase) in Loans and Advances (Excluding Income Tax)	25,74,637	95,36,894
Decrease/ (increase) in Inventories	6,03,12,527	(6,05,25,019)
(Decrease)/ increase in Trade and other payables including Deposits	(2,54,26,627)	3,97,75,417
Cash Generated from Operations	(4,26,412)	1,84,34,605
Taxes (Paid)/ Refund	(28,532)	1,08,351
Net Cash (used)/ from operating Activities	(4,54,944)	1,85,42,956
B. Cash Flow from Investing Activities		
Purchase of fixed assets	-	(8,13,86,212)
Sale of Fixed Assets	-	9,635
Capital Work in Progress	(1,65,67,497)	4,49,91,297
Interest Received	3,51,481	7,94,565
Net Cash (used)/ from Investing Activities	(1,62,16,016)	(3,55,90,715)
C. Cash Flow from Financing Activities		
Proceeds from Issues of Equity Shares with premium	9,32,19,100	27,00,00,000
Secured Loan Recd/ (paid)	(2,96,584)	1,66,26,982
Unsecured Loan (Repaid)/Received	(6,94,40,912)	(25,44,30,896)
Interest Paid	(1,46,53,006)	(1,25,81,252)
Dividend Paid (includes Tax paid on Dividend)	-	88,28,598
Net Cash (used)/ from Financing Activities	88,28,598	1,96,14,834
Net Increase/ (decrease) in Cash and Cash equivalents (A+B+C)	(78,42,362)	25,67,075
Opening Cash and Cash equivalents	92,51,877	66,84,802
Closing Cash and Cash equivalents	14,09,518	92,51,877

In terms of our report attached.
For P. Mukhopadhyay & Co.
Chartered Accountants
(Registration Number: 302085E)

Subash Mukhopadhyay
Membership no : 050384

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director

Aditya Purohit
Company Secretary

Place: Kolkata
Date: 25th March, 2015

Niraj Jalan
Director

Vimal Prakash
Director



NILACHAL REFRACTORIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 : Share Capital

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of shares	Rs. ₹	No. of shares	Rs. ₹
(a) Authorised				
Equity shares of Rs10 each with voting rights	2,95,00,000	29,50,00,000	2,95,00,000	29,50,00,000
11% redeemable cumulative Preference Shares of Rs.100/- each	15,000	15,00,000	15,000	15,00,000
0% redeemable preference shares of Rs100/- each	19,35,000	19,35,00,000	10,35,000	10,35,00,000
	3,14,50,000	49,00,00,000	3,05,50,000	40,00,00,000
(b) Issued				
Equity shares of Rs10 each with voting rights	2,04,00,000	20,40,00,000	2,04,00,000	20,40,00,000
11% redeemable cumulative Preference Shares of Rs.100/- each	15,000	15,00,000	15,000	15,00,000
0% redeemable preference shares of Rs100/- each	19,22,191	19,22,19,100	9,90,000	9,90,00,000
Total	2,23,37,191	39,77,19,100	2,14,05,000	30,45,00,000
(c) Subscribed & fully paid up				
Equity shares of Rs10 each with voting rights	2,03,61,450	20,36,14,500	2,03,61,450	20,36,14,500
11% redeemable cumulative Preference Shares of Rs.100/- each	14,980	14,98,000	14,980	14,98,000
0% redeemable preference shares of Rs100/- each	19,22,191	19,22,19,100	9,90,000	9,90,00,000
Total	2,22,98,621	39,73,31,600	2,13,66,430	30,41,12,500

The rights, preference and restrictions including restrictions on the distribution of dividends and the repayment of capital:

The Company have two class of shares i.e. Equity & Preference carrying a nominal value of Rs 10 each and Rs 100 each respectively. Each holder of equity Shares is entitled to one vote per share. The Company shall declare and pay dividend in Indian Rupees. When the company have distributable profit, the company shall propose dividend, subject to the approval of shareholders in annual general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Also the preference shares shall be redeemed only when the company have distributable profits which would otherwise be available for dividend or out of proceeds of fresh issue of shares made for the purpose of redemption, hence for the year under review the shares shall not be redeemed.

“11% Redeemable Cumulative Preference shares were redeemable before September 1995 by giving six months notice by such redemption to the holders thereof. However, as per the terms of the Sanctioned Rehabilitation Scheme, the preference Shares are to be continued with roll over option for another 5 years and no interest is payable during such rehabilitation period. Accordingly, no provision for any interest has been made during the year. Due to non-availability of profit, no provision has been made for payment of dividend to the Preference Shareholders; cumulative from the date of allotment i.e 20th September 1980 upto the due date of redemption amounting to Rs 41.60 Lacs or the dividend payable thereafter. Further 0% Redeemable Preference Shares shall be subject to redemption when the Company has distributable profit. Hence, for the year under review the Shares shall not be redeemed.

(i) Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Unimark International Pvt.Ltd	57,69,086	28.33	52,69,086	25.88
Season Trading & Investment Pvt.Ltd	15,00,000	7.37	15,00,000	7.37
Sushil Kumar Agarwal	12,18,000	5.98	17,18,000	8.44
Vijay Kumar Agarwal	12,18,000	5.98	17,18,000	8.44
Eynthia Tie-up Pvt.Ltd	17,00,000	8.35	17,00,000	8.35



Redeemable Preference Shares	As at 31st march, 2014		As at 31st march, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
11 % redeemable preference shares of Rs. 100/- each				
General Insurance Corporation of India	5000	33.38	5000	33.38
National Insurance Co. Ltd	5000	33.38	5000	33.38
United India Insurance Co. Ltd	4855	32.41	4855	32.41
0% redeemable cumulative Preference Shares of Rs.100/- each				
Chetna Distributors Pvt Ltd	1,00,000	10.10%	1,00,000	10.10%
Eynthia Tie Up Pvt Ltd	2,83,936	28.68%	2,30,000	23.23%
Unimark International Pvt.Ltd	3,30,000	33.33%	3,30,000	33.33%
Metropolitan Commercial Pvt Ltd	50,000	5.05%	50,000	5.05%
Jeekay Rollings Mill Pvt Ltd	70,000	7.07%	70,000	7.07%
PP Suppliers & Agencies Pvt Ltd	65,000	6.57%	65,000	6.57%
Pushpak Dealcom Pvt Ltd	77,000	7.78%	77,000	7.78%
Ganpati Industrial Pvt.Ltd.	3,02,276	30.53%	0	0.00%
Ganpati RV Tallers Algeria Track Pvt.Ltd	3,80,280	38.41%	0	0.00%
Rudraksh Belcom Pvt. Ltd	1,62,627	16.43%	0	0.00%

Notes:- i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	Opening Balance	Fresh Equity Share Issue during the year	Closing Balance
Equity Shares with Voting Rights Year ended 31.3.14, No. of shares	2,03,61,450	NIL	2,03,61,450
	2,03,61,450		2,03,61,450

Note 3 : Reserve & Surplus

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Central Subsidy		
Opening balance	15,00,000	15,00,000
Add: Additions/transfers during the year	-	-
Less: Utilised/transferred during the year	-	-
Closing balance	15,00,000	15,00,000
(b) Share Premium		
Opening balance	13,50,00,000	-
Add: Additions/transfers during the year	-	13,50,00,000.00
Less: Utilised/transferred during the year	-	-
Closing balance	13,50,00,000	13,50,00,000.00
(c) Share Forfeiture Money		
38550 Number of Equity Shares with voting rights	1,20,125	1,20,125
(d) Surplus/(Deficit) in Statement of Profit/Loss		
Opening balance	(10,46,35,111)	(9,92,01,846)
Add: Profit/(Loss) for the year	(5,46,58,087)	(54,33,265)
Amounts transferred from:		
General reserve	-	-
Less: Dividends proposed	-	-
Transferred to:		
General reserve	-	-
Other reserves	-	-
Closing balance	(15,92,93,198)	(10,46,35,111)
Total	(2,26,73,073)	3,19,85,014



Note 4: Long Term Borrowings

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Long Term Maturities of finance lease obligations Secured	2,08,081	5,04,665
Total	2,08,081	5,04,665

Notes: (i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment and security	As at 31st March, 2014	
		Secured ₹	Unsecured ₹
Long Term Maturities of finance lease obligations: Canara Bank	Payable in equated monthly instalment	2,08,081	0
Total		2,08,081	0

Note 5 : Other long-term liabilities

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Others:	-	-
(i) Trade / security deposits received	1,92,568	1,92,568
(iii) Provision on Gratuity Payable	10,07,522	28,78,425
Total	12,00,090	30,70,993

Note 6 : Short Term Borrowings

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Loans repayable on demand From banks Cash Credit - Secured	9,11,93,044	9,26,47,706
(b) Term Loan From Banks Secured (Refer Notes)		29,83,377
(c) Loans and advances from related parties Unsecured	5,53,56,599	12,02,55,663
(d) Long Term Maturities lease finance Secured	3,89,244	4,93,053
Total	14,69,38,887	21,63,79,799

Notes: (i) Details of security for the secured short term borrowings

Particulars	Terms of repayment and security	As at 31st March, 2014 Secured ₹
Loans repayable on demand from banks Canara Bank- Cash Credit	Secured by Book Debt, hypothecation of stock, first charge on the fixes assets of the company both present and future and personal guarantee of five directors.	9,11,93,044
Total		9,11,93,044

Notes: (ii) Details of terms of repayment for the other short-term borrowings

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Secured ₹	Unsecured ₹	Secured ₹	Unsecured ₹
Loans and advances from related parties:				
Eyntheia Tie Up Pvt. Ltd.		0		43,49,480
Jeykey International Track Pvt. Ltd.		0		99,69,613
Keshan Polymers (P) Ltd.		5,07,90,928		4,91,67,796
Pankaj Jalan		0		1,70,07,748
Ganpati RV Tallers Alegria Track Pvt. Ltd.		0		3,40,44,789
Seasons Trading & Investment Pvt. Ltd.		0		12,37,638
Sushil Kumar Agarwal		0		8,91,274
Unimark International Pvt. Ltd.		45,65,671		15,17,754
Vijay Kumar Agarwal		0		20,69,571
Total		5,53,56,599		12,02,55,663



(iii) Details of long-term borrowings guaranteed by some of the directors or others:

	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Term loans from banks	-	29,83,377

Pursuant to the Order of the Hon'ble BIFR, the promoters have brought in Unsecured loan amounting to Rs 813.76 Lacs (P.Y. Rs 1540 Lacs) to meet the rehabilitation cost. Since the said amount brought in by the Promoters in compliance with the order of the Hon'ble BIFR, the same is not covered under Public Deposit pursuant to Clause 2(b) (xi) of the Companies (Acceptance of Deposits) Rules, 1975. The Company has during the year converted unsecured loan of Rs 932.19 Lacs taken from Promoters and its Associates in earlier and current year into 932191 numbers 0% Preference shares of Rs 100/- each.

Note 7 : Trade payables

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Trade payables:	-	-
Other than acceptances	9,01,13,874	12,42,69,202
Micro, Small and Medium Enterprises		
Others		
Total	9,01,13,874	12,42,69,202

Note 8 : Other current liabilities

Particulars	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
(a) Other payables:		
(i) Statutory remittances	33,75,719	82,79,385
(ii) Advance from customers	3,17,23,983	2,42,40,947
(iii) Compensation Payable	1,21,85,984	-
(iv) Others - Bank Overdraft	1,49,091	43,14,841
(b) Creditors for Capital Work-in-Progress	35,94,534	35,94,534
Total	5,10,29,311	4,04,29,707

Note 9 : Fixed Assets

A. Tangible assets		Gross block					
		"Balance as at 1st April, 2013" (₹)	Additions (₹)	Disposals (₹)	Borrowing cost capitalised (₹)	Other adjustments (₹)	"Balance as at 31st March, 2014" (₹)
(a) Land			-	-	-	-	18,46,851
Freehold		18,46,851	-	-	-	-	1,55,000
Leasehold *		1,55,000	-	-	-	-	2,06,19,700
(b) Buildings		2,06,19,700	-	-	-	-	15,44,89,105
(c) Plant and Equipment		15,44,89,105	-	-	-	-	61,17,126
(d) Furniture and Fixtures		61,17,126	-	-	-	-	64,16,789
(e) Vehicles		64,16,789	-	-	-	-	-
Total		18,96,44,571	-	-	-	-	18,96,44,571
Previous year		10,82,68,359	8,13,86,212	10,000	-	-	18,96,44,571
B. Capital Work in Progress		29,81,36,014	1,65,67,497	-	-	-	31,47,03,511
A. Tangible assets		Accumulated depreciation and impairment				Net block	
		"Balance as at 1st April, 2013" (₹)	Depreciation / amortisation expense for the year (₹)	Eliminated on disposal of assets (₹)	"Balance as at 31st March, 2014" (₹)	"Balance as at 31st March, 2014" (₹)	"Balance as at 31st March, 2013" (₹)
(a) Land		-	-	-	-	18,46,851	18,46,851
Freehold		-	-	-	-	1,55,000	1,55,000
Leasehold		1,39,86,145	5,19,175	-	1,45,05,320	61,14,380	66,33,554
(b) Buildings		6,17,07,090	49,15,774	-	6,66,22,864	8,78,66,241	9,27,82,015
(c) Plant and Equipment		49,95,140	2,34,674	-	52,29,814	8,87,312	11,21,987
(d) Furniture and Fixtures		38,62,700	4,08,808	-	42,71,508	21,45,281	25,54,089
(e) Vehicles		-	-	-	-	-	-
Total		8,45,51,076	60,78,430	-	9,06,29,506	9,90,15,064	10,50,93,496
Previous year		8,17,19,426	28,32,015	366	8,45,51,075	10,50,93,496	2,65,48,934



B.	Capital Work in Progress	-	-	-	-	31,47,03,511	29,81,96,013
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* Note :- The leasehold land was acquired in 1980 for a term of 99 years.

C.	Details of assets acquired under hire purchase agreement						
	Particulars	Gross Block			Net Block		
		Figures for the Year Ending 31st March 2014 (₹)	Figures for the Year Ending 31st March 2013 (₹)	Figures for the Year Ending 31st March 2014 (₹)			
	Vehicle	17,61,222	17,61,222	12,69,231			

Note 10 : Long-term loans and advances

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
(a) Capital Advances		
Advance for Capital goods	73,80,469	73,80,469
(b) Security deposits:	73,80,469	73,80,469
Unsecured, considered good	23,91,445	23,04,745
(c) Advance income tax	23,91,445	23,04,745
(e) Other loans and advances	3,30,599	3,02,067
(Trustees to Employee gratuity fund:	1,34,966	1,34,966
Unsecured, considered good	4,65,565	4,37,033
Total	1,02,37,479	1,01,22,247

Note 11 : Other non-current assets

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
(a) Accruals:		
(i) Interest accrued on deposits	67,509	5,74,518
(b) Others:		
(i) Compensation on Land Acquired	61,889	61,889
Total	1,29,398	6,36,407

Government of Orissa had acquired 8.73 acres of unutilized portion of land of the Company for which the cost of the land has been proportionately reduced. Since the Government had not intimated the acquisition compensation of the land, surplus/ deficit will be recognized in revenue on receipt of such intimation from the Government. It was found out that the relevant department of the Government of Orissa has still not recorded the acquisition in their record.

Note 12 : Inventories (At lower of cost and net realisable value)

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
(a) Raw Materials		
(At Cost)	1,69,24,908	3,35,24,852
(b) Work-in-progress		
(At Estimated Cost)	4,17,63,792	6,34,63,365
(c) Finished goods		
(At lower of cost or net realisable value)	8,06,80,196	10,21,42,525
(d) Packing Materials		
(At Cost)	22,30,393	29,20,200
(d) Stores & spares		
(At Cost)	29,96,092	30,00,966
(f) By Products		
(At net realisable value)	3,45,500	2,01,500
Total	14,49,40,881	20,52,53,408

Notes: Details of inventory of work-in-progress

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Refractories Brick	4,17,63,792	6,34,63,365
	4,17,63,792	6,34,63,365



Note 13 : Trade receivables

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	5,21,26,504	5,32,82,225
Unsecured, considered good	10,02,537	10,02,536
Less: Provision for doubtful advances	5,11,23,967	5,22,79,689
Other Trade Receivable	15,67,171	22,19,320
Unsecured, considered good	15,67,171	22,19,320
Total	5,26,91,138	5,44,99,009

Note: Trade Receivable include debts due from:

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
Private companies in which any director is a director or member: Trade receivables outstanding for a period exceeding six months from the date they were due for payment	2,87,163	2,87,163
- Jekay International Track (P) Ltd.		
Others		
- NRL Clayburn Ltd		46,18,236
- Associated Industrial Furnaces (P) Ltd		93,644
- Jiwanram Sheoduttrai Pvt Ltd		25,000
	2,87,163	50,24,043

Note 14 : Cash and cash equivalents

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
(a) Cash in hand	41,092	2,51,624
(b) Balances with banks		
(i) In current accounts	3,39,244	11,59,970
(ii) In EEFC accounts	4,04,530	3,35,465
(iii) In deposit accounts	6,24,652	75,04,818
Total	14,09,518	92,51,877

Notes: (i) All the above balances can be categorised as Cash and Cash Equivalents as per AS 3.
(ii) Balances with banks include deposits amounting to Rs 344652 as margin monies.

Note 15 : Short-term loans and advances

Particulars	As at 31st March, 2014 (₹)	As at 31st March, 2013 (₹)
(a) Security deposits:		
Unsecured, considered good	50,000	50,000
	50,000	50,000
(c) Loans and advances to employees:		
Unsecured, considered good	4,57,565	2,76,765
Less: Provision for doubtful advances	91,049	91,049
	3,66,516	1,85,716
(d) Prepaid expenses- Unsecured, considered good	1,76,766	4,32,781
(e) Balances with government authorities		
Unsecured, considered good	12,58,441	6,53,441
(i) Sales Tax Recoverable	22,28,960	42,03,909
(ii) Cenvat credit receivable	2,03,769	5,48,293
(iii) VAT tax credit receivable	18,92,307	27,88,611
(iv) Export Benefit Receivable	1,62,253	1,62,253
(v) Income Tax Refundable	4,73,859	4,49,204
(f) Others - Advance to creditors		
Unsecured, considered good	63,96,355	92,38,492
Total	68,12,871	94,74,208

Note : Sales Tax Recoverable include amount of Rs 6.53 lacs (Previous Year Rs 6.53 Lacs) collected by Sales Tax authorities against demand not acknowledged by the Company.



Note 16: Revenue from operations

Particulars	Figures for the Year Ending 31st March 2014 (₹)	Figures for the Year Ending 31st March 2013
(a) Sale of products (Refer Note (i))	9,81,23,149	27,75,77,340
(b) Other operating revenues (Refer Note (ii))	74,36,634	2,50,91,815
less:	10,55,59,783	30,26,69,155
(c) Excise duty	88,03,333	3,08,27,448
Total	9,67,56,450	27,18,41,707
Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
(i) Sale of products comprises :		
Manufactured goods		
Refractory Bricks	4,33,89,751	15,14,63,706
Mortar	5,44,54,053	12,61,13,634
Total-Sale of manufactured products	9,78,43,804	27,75,77,340
Traded goods	2,79,345	-
Refractory Bricks	2,79,345	-
Total-Sale of traded products	9,81,23,149	27,75,77,340
Total Sale of Products		
(ii) Other operating revenues	74,36,634	2,50,91,815
Sale of scrap		
Total-other operating revenues	74,36,634	2,50,91,815

Note 17: Other Income

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
(a) Interest income (Refer Note (i))	3,51,481	7,94,565
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii))	14,57,519	5,12,940
Total	18,09,000	13,07,505

Notes:

Particulars	Figures for the Year Ending 31st March 2014	Figures for the Year Ending 31st March 2013
(i) Interest income comprises:		
Interest from banks on:		
deposits	3,51,481	7,66,680
I T Refund	-	27,885
Total-Interest income	14,57,519	7,94,565
(ii) Other non-operating income comprises:		
Miscellaneous income	14,57,519	5,12,940
Total-other operating revenues		
Total	18,09,000	13,07,505

Note 18: Cost of Materials Consumed

Particulars	Figures for the Year Ending 31st March 2014	Figures for the Year Ending 31st March 2013
Opening stock	3,35,24,852	3,97,36,747
Add: Purchases	1,24,99,510	22,22,39,210
Less: Closing stock	4,60,24,362	26,19,75,957
Cost of material consumed	1,69,24,908	3,35,24,852
Material consumed comprises:	2,90,99,454	22,84,51,105
Plastic Clay	3,82,798	28,36,705
Raw Non-Plastic Clay	6,34,467	47,01,684
Crog	35,50,205	2,63,08,600
Calcined Clay	19,25,306	1,42,67,370
Silminite Sand	17,20,387	1,27,48,835
Raw Pyrophilite Lumps	26,66,227	1,97,57,924
Dry Impervious Material	22,36,054	1,65,70,156
Others	81,94,538	7,35,36,385
Coal & Fuel	77,89,471	5,77,23,446
Total	2,90,99,454	22,84,51,105



Note 19: Purchase of Stock in trade

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
Refractory Bricks	17,74,246 17,74,246	- -

Note 20: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
Inventories at the end of the year:		
Finished goods	8,06,80,196	10,21,42,525
Work-in-progress	4,17,63,792	6,34,63,365
By-Products	3,45,500	2,01,500
Inventories at the beginning of the year:		
Finished goods	12,27,89,488	16,58,07,390
Work-in-progress	10,21,42,525	7,81,61,362
By-Products	6,34,63,365	2,31,26,002
	2,01,500	2,20,000
	16,58,07,390	10,15,07,364
Net (increase)/decrease	4,30,17,902	(6,43,00,026)

Note 21: Employee Benefits Expense

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
(a) Salaries ,Wages and other allowances	1,32,73,214	1,73,56,479
(b) Contribution to provident and other funds	8,00,072	11,83,476
(c) Staff welfare expenses	3,33,168	8,81,040
(e) Retrenchment Compensation	2,19,32,014	
Total	3,63,38,468	1,94,20,995

Note 22: Finance Cost

Particulars	Figures for the Year Ending 31st March 2014	Figures for the Year Ending 31st March 2013
(a) Interest expense on:		
(i) Borrowings	1,46,53,006	1,25,81,252
Total	1,46,53,006	1,25,81,252

Note 23: Other Expenses

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
Consumption of stores and spare parts	5,25,235	54,58,755
Consumption of Packing Material	20,93,318	67,34,248
Electricity and Power	36,50,544	1,52,92,930
Manufacturing Expenses	37,62,880	2,20,23,529
Consumption of Moulds	48,332	6,53,919
Repairs & Maintenance :		
To Plant & Machinery	11,59,503	98,26,879
To Building	95,258	4,88,652
To Others	3,30,407	4,93,019
Carriage outward	9,67,368	7,89,976
Sales Promotion	29,398	8,88,044
Advertisement Charges	39,112	2,24,324
Rent	10,72,001	2,93,584
Bank Charges	5,02,090	12,78,165
Royalty Paid	10,92,873	53,07,460
Rates & Taxes	-	2,500
Exchange Fluctuation Loss	12,37,157	19,59,124
Telephone Charges	3,22,150	5,41,377
Insurance charges	2,58,029	4,59,830
Computer Expenses	47,827	1,40,310
Books & Periodicals	7,130	12,958
Printing & Stationery	1,28,220	2,71,226
Filing Fees	19,000	-
Postage & Courier Charges	1,99,104	1,11,323
Professional & Consultancy Charges	4,53,584	6,19,970
Conveyance, Tour & Travels	40,12,671	26,58,971
Prior Period Expenses	8,92,490	27,917
Payment to auditors (Refer Note (i))	40,000	46,000
Legal Charges	1,31,657	69,753
Listing Fees	71,912	2,62,691



Subscription Fees & Expenses	5,61,402	7,37,229
Testing Fees	40,800	70,824
Watch & Ward	24,61,836	19,17,246
Office Maintenance	2,21,775	2,45,174
Miscellaneous Expenses	17,10,665	18,07,476
Total	2,81,85,728	8,17,15,383

Notes :

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
(i) Payment to the auditors comprises (net of service tax, input credit, where applicable)	40,000	40,000
As auditors- statutory audit	-	-
For taxation matters	-	-
For company law matters	-	-
For management services	-	6,000
For other services	-	-
Certification Fees	-	-
Total	40,000	46,000

Particulars	Figures for the Year Ending 31st March 2014 ₹	Figures for the Year Ending 31st March 2013 ₹
(ii) Details of prior period items (net) Prior period expenses	8,32,490	3,43,253
Total	8,32,490	3,43,253

Salary, Wages & other allowances	-	-
Employees' Leave Salary	-	-
Training & Development	385689	-
Bonus & Extratia	345545	-
Gratuity	-	-
Managerial Remuneration	2539929	-
LTC	523429	-
Medical Reimbursement	226404	-
Salaries and Wages	11290267	-
	15311263	-
Miscellaneous Expenses		
Water Charges	261771	1,57,345
Loading & Unloading Expenses	1510970	15,47,082
Laboratory Expenses	137054	1,37,870
Other Interest	550659	2,86,877
Trade Discount	125330	23,845
Tender Fees	10840	7,040
Communitis Development Expenses	13010	-
Gardening Expenses	236963	2,47,566
Guest House Expenses	420342	3,38,565
Rejection & Other Deduction	18048	2,08,638
General Expenses	423706	4,24,120
Demartilisation Expenses	5000	-
	3713693	33,78,948
Carriage Outward	4863619	-
Carriage Outward	-	-
Transport (service tax)	-	-
Transport (ed.cess)	-	-
Transport (s&h cess)	4863619	-
Rates & Taxes		
Professional tax	2500	-
Trade Licence	-	-
Factory licence	-	-
Service Tax (GTA)	-	-
Orissa Entry Tax	-	-
Filing fee	407285	-
	409785	-



Note 24 Additional information to the financial statements

Note	Particulars	For the year ended 31st March, 2014 Rs (in lacs)	For the year ended 31st March, 2013 Rs (in lacs)
24.1	Contingent Liabilities		
	Sales Tax	96.28	96.28
	Water Charges	7.14	7.14
	Suit Pending against the Company	9.94	9.94
	Orissa Entry Tax	4.17	4.17
Note	Particulars	For the year ended 31st March, 2014 Rs (in lacs)	For the year ended 31st March, 2013 Rs (in lacs)
24.2	Commitments		
	Estimated amount of contract remaining to be executed on Capital account and not provided for Tangible assets	1,238.93	1,044.43

Note	Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
24.3	Details of unhedged foreign currency Exposures	Rs	\$	Rs	\$
	Payable in foreign exchange	(1,69,97,773)	(4,87,841)	(1,23,56,312)	(2,24,865)
	Receivable in foreign exchange	20,89,740	34,861	21,25,648	39,661
	Payable in foreign exchange	₹ (27,47,848)	€ (34,782)	₹ (1,01,08,603)	€ (1,82,431)

Note	Particulars	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
24.4	Value of imports calculated on CIF basis : Raw materials	61,41,908	3,20,46,485
24.5	Expenditure in foreign currency :	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Raw Materials	6,00,750	3,09,21,643
	Travelling	-	1,41,574
	Royalty	-	-
	Advance for Capital Goods	-	-
	Other matters	-	21,23,772
24.6	Details of consumption of imported and indigenous items :	"For the year ended 31st March, 2014"	
		Rs (₹)	%
	Imported	22,36,054	8
	Raw materials	(3,98,03,253)	(23)
	Spare Parts	-	-
		(-)	(-)
	Total	22,36,054	8
		(39803253)	(23)
	Indigenous	"For the year ended 31 March, 2014"	
		Rs	%
	Raw materials	2,68,63,399	92
	Spare parts	(13,09,24,549)	(77)
		5,25,235	100
		(53,56,977)	(100)
	Total	2,73,88,634	100
		(13,62,81,526)	(100)



Note: Figures / percentages in brackets relates to the previous year

24.7	Earnings in foreign currency :	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Export of finished goods calculated on FOB basis	-	-
	Advance from Customer*	-	13,42,777
	*Cash Basis		

Note: Related party transactions

24.8	Details of related parties		
	Description of relationship	Names of related parties	
	Ultimate Holding Company	N.A.	
	Holding Company	N.A.	
	Ultimate Holding Company	N.A.	
	Subsidiaries	N.A.	
	Fellow Subsidiaries (to be given only if there are transactions)	N.A.	
	Associates	Associated Industrial Furnaces Pvt. Ltd , Eynthia Tie Up Pvt. Ltd, Ganapati Rv Tallers Algeria Track Pvt. Ltd.,Jekay International Track Pvt. Ltd,Keshan Polymers (P) Ltd,Likewise Investment & Marketing P Ltd.,Minicraft Enterprise Pvt. Ltd, NRL Clayburn Ltd, P.P Suppliers & Agencies Pvt. Ltd,Pushpak Dealcom Pvt. Ltd,Seasons Trading & Investments Pvt. Ltd,Unimark International Pvt. Ltd,Uniseven Engineering & Infrastructure,.	
	Key Management Personnel (KMP)	Mr. Bhagwati Prasad Jalan, Mr. Niraj Jalan ,Mr .Vijay Kumar Agarwal Mr. Suresh Prasad Nepak , Mr. Amitava Choudhury and S Ashokan	
	Relatives of KMP	B P Jalan & Sons , Hasti Prasad Jalan and Others ,Arav Jalan Trust,Ishika Jalan Trust, Aditi Jalan, Alok Prakash,Bela Jalan, Nidhi Jalan , Pankaj Jalan , Parwati Devi jalan , Piyush Jalan , D P Jalan and Others , Kamal Praksh (HUF),Niraj Jalan & Others (HUF),Pankaj Jalan & Others (HUF),P Jalan & Others,Raj Rani Agarwal,Vimal Praksh (HUF) and Mr.Sushil Kumar Agarwal	
	Company in which KMP / Relatives of KMP can exercise significant influence	N.A.	

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31st March, 2014 and balances outstanding as at 31st March, 2014:

Particulars	Associates	KMP
Sales		
Associated Industrial Furnace Ltd	109105 NIL	
NRL Clayburn Ltd	32876047 125776413	
Remuneration		
Amitava Choudhary		2241065 2241065
S Ashokan		1498800 366642
Particulars	Associates	KMP
Interest on Loan Taken		



	Aarav Jalan Trust		
	Bhagwati Prasad Jalan		NIL 34431
	B.P Jalan & Sons		
	D.P Jalan & Others (HUF)		
	Eynthia Tie Up Pvt. Ltd.		
	Hasti Prasad Jalan & Others		
	Ganpati Industrial Private Limited		
	Ganapati Rv Talleres Algeria Track Pvt. Ltd.		
	Ishika Jalan Trust		
	Jekay International Track Pvt. Ltd.		
	Keshan Polymers (P) Ltd.		
	Likewise Investment & Marketing P Ltd.		
	Nikita Jalan		
	Niraj Jalan		NIL 160341
	Niraj Jalan & Others (HUF)		
	P.P Suppliers & Agencies Pvt. Ltd.		
	Pankaj Jalan		
	Pankaj Jalan & Others (HUF)		
	Parwati Devi Jalan		
	Piyush Jalan		
	Pushpak Dealcom Pvt. Ltd.		
	Rudraksh Dealcom private Limited		
	Seasons Trading & Investments Pvt. Ltd.		
	Sushil Kumar Agarwal		
	Unimark International Pvt. Ltd.		
	Vijay Kumar Agarwal		269045 153225
Loan Taken			
	Aarav Jalan Trust		
	Aditi Jalan		
	Aloke Prakash HUF		
	Bela Jalan		
	Bhagwati Prasad Jalan		NIL
	B.P Jalan & Sons		
	D.P Jalan & Others (HUF)		
	Eynthia Tie Up Pvt. Ltd.		
	Hasti Prasad Jalan & Others		
	Ganpati Industrial Private Limited		
	Ganapati RV Talleres Alegria Track Pvt. Ltd.		
	Ishika Jalan Trust		
	Jekay International Track Pvt. Ltd.		



	Kamal Prakash (HUF)		
	Keshan Polymers (P) Ltd.		
	Likewise Investment & Marketing P Ltd.		
	Minicraft Enterprise Pvt. Ltd.		
	Nidhi Jalan		
	Nikita Jalan		
	Niraj Jalan		NIL 11844307
	Niraj Jalan & Others (HUF)		
	P.P Suppliers & Agencies Pvt. Ltd.		
	P.Jalan & Others		
	Pankaj Jalan		
	Pankaj Jalan & Others (HUF)		
	Parwati Devi Jalan		
	Piyush Jalan		
	Pushpak Dealcom Pvt. Ltd.		
	Rudraksh Dealcom Private Limited		
	Seasons Trading & Investments Pvt. Ltd.		
	Raj Rani Agarwal		
	Sushil Kumar Agarwal		
	Unimark International Pvt. Ltd.		
	Vijay Kumar Agarwal		NIL 1137903
	Vimal Prakash		

Note: Figures in bracket relates to the previous year

24.9	Details of leasing Arrangements	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Reconciliation of minimum lease payments		3,89,244
	Future Minimum Lease Payments	3,89,244	7,29,235
	not later than one year	7,29,235	-
	later than one year and not later than five years	-	11,18,479
	later than five years	11,18,479	2,24,570
	Unmatured finance charges	2,24,570	8,93,909
	Present value of minimum lease payments payable	8,93,909	2,77,423
	not later than one year	1,84,742	5,99,829
	later than one year and not later than five years	5,89,298	-
	later than five years	-	-
Note	Particulars	“For the year ended 31st March, 2014” (₹)	“For the year ended 31st March, 2013” (₹)
24.10	Earnings per share : Basic		
24.10.a	Continuing operations		
	Net profit / (loss) for the year from continuing operations	(5,46,58,087)	(54,33,265)
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(5,46,58,087)	(54,33,265)
	Weighted average number of equity shares	2,03,61,450	94,61,549
	Par value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	(2.68)	(0.57)



24.10.b	Total operations		
	Net profit / (loss) for the year	(5,46,58,087)	(54,33,265)
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	(5,46,58,087)	(54,33,265)
	Weighted average number of equity shares	2,03,61,450	94,61,549
	Par value per share	10.00	10.00
	Earnings per share - Basic	(2.68)	(0.57)
24.11	Deferred Tax (Liability) / Asset	For the year ended 31st March, 2014 (₹)	For the year ended 31st March, 2013 (₹)
	Tax effect of items constituting deferred tax liability On difference between book balance and tax balance of fixed asset	59,53,953	55,91,006
	Tax effect of items constituting deferred tax assets	59,53,953	55,91,006
	Provision for compensated absences, gratuity and other employee benefits	3,11,342	8,89,433
	Unabsorbed depreciation carried forward & brought forward business loss	3,98,51,523	3,29,86,788
		4,01,62,865	3,38,76,221
	Net Deferred Tax (liability) / asset	3,42,08,912	2,82,85,215
24.12	Other Notes:		
24.12.1	Voluntary Retirement Scheme (VRS) was introduced under which terminal date of employment was fixed as 31st July 2002. Provision for unpaid compensation has been made for the employees who have not taken the same. Modified Golden Handshake Schemes containing similar benefits as that of Voluntary Separation Scheme were introduced (in respect of ex-employees who were separated under the Golden Handshake Scheme 3 & 4) wherein cut off date for computation of compensation was kept as 31st July 2002. Provision for unpaid lump sum payment has been made for the ex-employees who have not taken the same.		
24.12.2	Confirmation of Parties concerned for amount due, receivable from and/or payable to them as per the accounts of the company has not been received. Necessary adjustment, if any, shall be done at the time of settlement of respective account.		
24.12.3	The financial result of the company pertains to operations related to refractories which is the only significant business segment of the Company as per AS-17 issued by the ICAI.		
24.12.4	There are no Micro, Small and Medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2012. The above information regarding micro, small and medium enterprises have 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		
24.12.5	In view of unabsorbed losses and unabsorbed depreciation brought forward, there being no tax liability no provision for current Income Tax have been made during the year.		
24.12.6	The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / rearranged / recasted wherever considered necessary. Figure have been rounded off to the nearest rupee.		
24.12.7	The factory of the Company was closed due to declaration of Lockout by the management from 24th March 2014 till 19th December 2014 due to unprecented labour unrest and agitation		
24.12.8	In the opinion of the management, aggregate value of current assets and other loans and advances on realization in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.		

In terms of our report attached.
For P. Mukhopadhyay & Co.
Chartered Accountants
(Registration Number: 302085E)

Subash Mukhopadhyay
Membership no : 050384

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director

Aditya Purohit
Company Secretary

Place: Kolkata
Date: 25th March, 2015

Niraj Jalan
Director

Vimal Prakash
Director