



NILACHAL REFRACTORIES LIMITED

Regd. Office : Plot No. P/597, BJB Nagar, Lewis Road, Bhubaneswar-751014



NOTICE

The THIRTY FOURTH ANNUAL GENERAL MEETING OF NILACHAL REFRACTORIES LIMITED will be held at Hotel Shismo, Bhubaneswar on Friday (day), the 30th September, 2011 at 12.30 PM to transact the following business:

AS ORDINARY BUSINESS

1. To receive consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 the Balance Sheet as on that date and the report 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 offers himself for reappointment.
3. To appoint a Director in place of Mr. Vijay Kumar Agarwal who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Niraj Jalan who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Statutory Auditors and fix their remuneration

AS SPECIAL BUSINESS

6. Appointment of Shri Kamal Kishore Sarda as Director

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

"RESOLVED THAT Shri Kamal Kishore Sarda who was appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office as Director expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, liable to retire by rotation.

7. Appointment of Shri Sajjan Bhajanka as Director

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

"RESOLVED THAT Shri Sajjan Bhajanka who was appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office as Director expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, liable to retire by rotation.



8. Appointment of Shri Shakti Kumar Banerjee as Director

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

"RESOLVED THAT Shri Shakti Kumar Banerjee who was appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office as Director expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, liable to retire by rotation.

9. Appointment of Shri Hari Kishan Chowdhury as Director

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

"RESOLVED THAT Shri Hari Kishan Chowdhury who was appointed as an Additional Director by the Board of Directors of the Company pursuant to Section 260 of the Companies Act, 1956 and whose term of office as Director expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company, liable to retire by rotation.

10. Issue on Right Shares

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

"RESOLVED THAT in terms of Section 81(1), 81(1)(A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to the guidelines issued by the SEBI, RBI under the FEMA Act, 1999, Stock Exchanges and subject to consent of the shareholders in the General Meeting and all other concerned authorities and departments, and such other approvals, permission as may be necessary, and subject to such conditions and modifications, as may be prescribed in granting such approvals or permission, which may be agreed to by the Board of Directors of the Company (hereafter referred to as "The Board" which term shall be deemed to include any committee thereof), at its sole discretion create, offer and issue equity shares of the face value of Rs.10 /- per share on Rights basis at such time, at such price inclusive of premium and in such proportion as may be fixed by the Board to all the existing Equity shareholders of the Company whose names appear on the Register of Members and Beneficial Owners data as on the Record Date as may be fixed by the Board for such purpose as may be decided by the Board prior to the issue of such other terms and conditions, if any, in respect of such issue and to such extent as may be then permissible, and at such time or times as the Board at its discretion and in the best interest of the Company may deem fit.

RESOLVED FURTHER THAT the equity shares to be offered on rights basis shall rank pari passu in all respects with the existing shares of the Company.

RESOLVED FURTHER THAT the Board shall be entitled to issue, in consultation with and subject to the acknowledgement by the SEBI and subject to the approval, if necessary, of any concerned authority, appropriate letter of offer to the holders of equity share and to such other persons containing the terms and conditions of such issue as the Board may at its absolute discretion think fit and the Board be and is hereby authorised and empowered to accept such variations and modifications as the SEBI or any other concerned authority may stipulate in that behalf and also, at its discretion, to amend, modify, vary or alter all or any of the issue including the right to increase, decrease or recalculate the number of equity shares to be created, offered and issued.



RESOLVED FURTHER THAT the Notice convening the Annual General Meeting of the Company, containing the issue of equity shares on a rights basis, be and is hereby approved and will be dispatched to all the shareholders of the Company.

11. Increase in Company's borrowing power limit.

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

RESOLVED THAT Pursuant to provisions of section 293(1)(d) of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money from time to time, on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit notwithstanding that the money or monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company bankers in the ordinary course of business) may exceed the aggregate of the Paid up Share Capital of the Company and its free reserves, that is to say, reserves not set aside for any specific purpose, provided however, that the total amount so borrowed and remaining outstanding at any particular time shall not exceed ` 100 Crores (Rupees One Hundred Crores only)

RESOLVED FURTHER THAT the Board of Directors have power as authorized u/s 293(1)(d) and their right shall not be restricted in terms of provisions of section 292(5) of the Companies Act, 1956.

Kolkata,
Dated: 27th June, 2011
Regd. Office:
Plot No. P/597, BJB Nagar, Lewis Road,
Bhubaneswar-751014

By Order of the Board of Directors

Bhagwati Prasad Jalan
Chairman

NOTES;

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE LODGED WITH THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE ENSUING ANNUAL GENERAL MEETING (AGM)

2. Corporate Members are requested to send the Company's Register Office, a duly certified copy of the Board Resolution authorizing their Representative to attend and vote at the AGM

Register of Members and Share Transfer Books of the Company will be closed from 25th September, 2011 to 30th September, 2011 (both days inclusive).



DIRECTORS REPORT

Your Directors hereby present the Thirty Fourth Annual Report together with the Audited Accounts of your Company for the financial year ended on 31st March, 2011.

OPERATING RESULTS

The operating results of your Company for the financial year 2010-2011 are as follows:-

	2010-11	2009-10
	Rupees in Lakhs	
1. Sale of the Products	1781.11	3221.26
2. Other Income	<u>175.47</u>	<u>76.18</u>
3. Total Turnover	1956.58	3297.44
4. Operating Profit/(Loss) before Interest, Depreciation and amortization of expenses	274.68	666.10
5. Less: Interest	125.89	115.35
Less: Depreciation	26.88	30.24
Less: Amortization of expenses	-	16.00
6. Profit/(Loss) for the period	121.91	504.51
7. Provision for Deferred Tax	50.06	122.18
8. Profit/ (Loss) after Tax	71.85	382.33

As can be observed from the above your Company's operations were adversely affected mainly due to deferment of some of the large orders supplies from some of its valued customers. However your Company is carrying forward a confirmed order book position of over ₹ 35 Crores as on 1st April 2011 which are under execution . Your Company is making all efforts for export of its products and have started securing orders for the same.

Your directors are quite hopeful that the current year operations will be far better than the operation for the period under review. There has been significant progress with the expansion activities by setting up new modern manufacturing facilities during the year.

The Plant & Machinery purchased from M/s Sirma Spa Italy has started arriving at your Dhenkanal Plant and are under erection .

DIVIDEND

In view of brought forward accumulated losses, your Directors does not recommend any dividend for the year.



RAW MATERIALS

The availability and costs of raw material during the year remained challenging. All efforts are being made for necessary improvement on this. There has been a significant increase in the cost of coal and Furnace Oil during the year under review.

RESEARCH AND DEVELOPMENT

There is no R & D activities during the year under review. R & D activities are vital for our product to cope with the competitive market condition. But, due to paucity of fund the company could not undertake the same. However the company will start the same in the coming future.

INTERNAL AUDIT

The Management has appointed a Chartered Accountants firm who are conducting the internal audit of the Company. The report thereof is also placed before the Audit Committee.

ACCOUNTING POLICIES

Accounting policies adopted by the Company have been given in Schedule – O, in the Audited Balance Sheet and Profit & Loss Account.

FUTURE PROSPECTS

Your Company's continuous endeavor to enlarge the area of marketing its products has started bearing results. Your company is now focusing on both domestic and international markets for a sustained growth for supply of its products in steel and aluminium sector who are major consumers for refractories and with a vibrant marketing team in place is quite hopeful of achieving better results.

DIRECTORS' RESPONSIBILITY STATEMENT

Persuant to Section 217 (2AA) of the Companies Act, 1956, the Directors have

- i) Followed in the presentation of the annual accounts, the applicable accounting standards.
- ii) Selected prudent accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review.
- iii) Taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) Prepared the annual accounts on a going concern basis.



PARTICULARS OF EMPLOYEES

None of the employees of your Company come under provisions of Section 217 (A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule, 1975. As a result, no disclosure in this regard necessary.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE ETC.

Pursuant to the provisions of the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 particulars are given in Annexure-1.

AUDITORS REPORT

The observations made in the Auditors' Report are self explanatory and therefore do not call for any comments.

AUDITORS

M/s. P. Mukhopadhyaya & Co., Chartered Accountants, the present Auditors of the Company, retire at this Annual General Meeting and are eligible for reappointment. Pursuant to the provisions of Section 224 of the Companies Act, 1956, their appointment requires the approval of the members by an ordinary Resolutions.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation of the continued cooperation and support extended by all concern.

For and on behalf of the Board of Directors

Kolkata

Dated: 27th June, 2011

Bhagawati Prasad Jalan
(Chairman)



ANNEXURES TO DIRECTORS REPORT

Particulars pursuant to Provision of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY:

- (a) Energy conservation measures taken:
- (i) Idle running of Machines has been controlled
 - (ii) Operating efficiency of Shaft Kiln has been improved.
 - (iii) 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 for reduction of consumption of Energy:
No additional investment is proposed but all efforts are on to conserve energy by improving operations.
- (c) Impact of above measures:-
The above stated measures have resulted in reduction of consumption of energy to some extent.
- (d) Total Energy consumption & Energy consumption per unit of production.

Given below in prescribed Form – A.

FORM – A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY:

A. Power & Fuel consumption

1. Electricity	2010-11	2009-10
(a) Purchased		
Unit (Kwh)	2405304	2575116
Total Amount	9077302	8853306
Rate/Unit (Rs./Kwh)	3.77	3.44
(b) Own Generation		
(i) Through Diesel Generator		
Unit (Kwh)	81740	92400
Unit per Ltr. of Diesel oil	2.46	2.38
Cost/Unit (Rs.)	15.93	13.67
(ii) Through Steam Turbine Generator	N.A	N.A



	2010-11	2009-10
(2) Steam Coal Grade 'B' and 'E' used in Gas Producer.		
Quantity (Tonnes)	7617	7377
Total Cost (Rs.)	32699862	28738592
Average Rate (Rs./MT)	4293	3896

(3) Furnace Oil & L.D Oil		
Quantity (KL)	370 KL	245KL
Total Amount (Rs.)	10232370	5700118
Average Rate	27655	23266

(4) LSHS Other Internal Generation	N.A	N.A
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B. Consumption per unit of production.

(i) Refractories Produced (MT)	17536	26234
(ii) Electricity (KWH/Tonne)	142	102
(iii) Furnace oil & L.D Oil (Litres/Tonne)	21.10	9.34
(iv) LSHS (Kg/Tonne)	N.A	N.A
(v) Steam Coal (Gross) Grade B & E (Kg/Tonne)	434	281
(vi) Net Coal after dust (Kg/Tonne)	329	258

C. Technology Absortion:-	NIL	NIL
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D. Foreign Exchange earning & outgo.

(i) Activities relating to exports, initiatives taken to increase exports, developments of new export markets of products and services and export plan.

The Company is exploring new export markets in North America, Europe, Middle East, Australia etc.

(ii) Total foreign exchange used and earned

Foreign exchange used :-	Rs. 146235574.00
Foreign exchange earned	Rs. 36407927.00



ANNEXURE –A

MANAGEMENT DISCUSSION & 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. You will be glad to note that with the strong brand image enjoyed by your Company and quality of its products the valuation of the Company will go up substantially which will have a positive impact on the Shareholders/Stakeholders Value.

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 has already taken initiatives in some of these areas which has started bearing positive results.

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 aluminium manufacturing capacities being created in India especially in Odisha and Jharkhand.

The revival scheme sanctioned by BIFR is very well implemented and thus the company came out of the BIFR and is striving towards establishing itself as a key player in the Refractory Industry.

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.

The turnover from refractories items is Rs.1781.11 lacs during the year under review.

2. 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

3. Internal control system and their adequacy:

There is a proper internal audit system in place. The Company has always placed a lot of emphasis on a strong internal control system commensurate with the size and nature of its business

For & on behalf of the Board of Directors

Kolkata
Dated: 27th June, 2011

Bhagawati Prasad Jalan
(Chairman)



ANNEXURE – B

REPORT ON CORPORATE GOVERNANCE

A. Company's philosophy on Corporate Governance

As a part of growth strategy the Company believes in adopting the 'best practices' that are followed in the areas of Corporate Governance across various geographies. The Company aims at achieving transparency, accountability and equity in all facets of its operations, and in all interactions with stakeholders, including shareholders, employees, government authorities, lenders and other constituents, while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to achieve good standard of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

The key elements of good Corporate Governance include honesty, trust and integrity, openness, performance operations, responsibility and accountability, mutual respect and a commitment to the organization. The Corporate Governance framework of the Company ensures that a timely and accurate disclosure is made on all material matters regarding the Company, including the financial statements, performance, ownership and governance of the Company. The Board believes good Corporate Governance is voluntary and self disciplining. The Board supports principles of good governance and lays appropriate emphasis on regulatory Compliance, integrity and accountability.

The Company believes that all its operations and actions must result in enhancement of shareholders values in terms of maximizing shareholder's benefits, over a sustained period of time.

B. Board of Directors

a) The Composition of the Board of Directors

Name of Directors	Category	No. of Board Meeting	Attendance of meetings during 2010-11		Other* Directorship	Committee Membership	Committee Chairmanship
			Board meeting	Last AGM			
Mr. Bhagwati Prasad Jalan	Chairman	5	5	No		---	---
Mr. Niraj Jalan	Director	5	2	No		---	---
Mr. Kamal Prakash	Director	5	5	No		---	---
Mr. Vimal Prakash	Director	5	2	No		---	---
Mr. Vijay Kumar Agarwal	Director	5	5	No		---	---
Mr. Sushil Kumar Agarwal	Director	5	1	No		---	---
Mr. Saket Agarwal	Director	5	2	No		---	---
Mr. Suresh Prasad Nepak	Managing Director	5	5	YES		---	---
Mr. Raj Kumar Bajoria	Independent Director	5	5	YES	1	2	1
Mr.S.C.Mishra	Independent Director	5	2	YES		2	1
Mr.P.K.Gupta	Independent Director	5	1	No		1	---

* The Directorships held by the directors as mentioned above, excludes directorships of Private Limited Companies., Foreign Companies registered under Section 25 of the Companies Act 1956.



During the Year the Board Met for five times on the following dates:-
The Board met on following days :- 14th May 2010 , 31st July 2010, 12th August 2010,
29th October 2010, 31st Jan 2011 .

(C) Committees of the Board

The Company has two Board level Committees :

1. Audit Committee
2. Shareholders Committee

1. Audit Committee:

a) Composition & Meetings :

In terms of the clause 49 of the Listing Agreement, the Audit Committee constituted by the board consists of three directors all of whom are non- executive independent director. All the members have accounting and financial management expertise. Shri S.C.Mishra, Chairman of the Committee is knowledgeable in finance and accounts and has vast experience in corporate affairs.

The Composition of Audit Committee & the details of meeting attended by the Directors are given below:

SL. No.	Members of Audit Committee	Category	No. of Meetings Attended
1	Mr. S.C.Mishra	Independent, Non Executive	4
2	Mr. Raj Kumar Bajoria	-do-	4
3	Mr. P.K.Gupta	-do-	4

The Audit Committee met four time during the year on 14th May 2010, 31st July 2010, 29th October 2010 , 31st Jan 2011. All the meetings were carried out at Corporate Office i.e. 30-D, Jawaharlal Nehru Road, Kolkata.

The necessary quorum was present at the meetings.

b) Brief terms of references of the Audit Committee

The role and terms of reference of the Audit Committee covers the areas mentioned under clause 49 of the Listing Agreement and Section 292A of the Companies Act , 1956 besides other terms as may be referred to by the Board of Directors . These include oversight of the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible ; reviewing annual and quarterly financial statements with management before submission to the board ; reviewing the adequacy of the internal control systems with management , external and internal auditors and reviewing the Company's financial risk and management policies.

2. Shareholders Committee :-

a) Share Transfer Committee :-

The share transfer committee was constituted to deal with various matters relating 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 Suresh Prasad Nepak, Managing Directors and Sri Amulya Prasad Sahoo , DGM Finance. The committee met on following occasions 22/4/2010, 15/11/2010 & 22/1/2011.

b) Shareholders' / Investors' Grievances Committee:

The Company has constituted Shareholders'/Investors' Grievance Committee to look into the investors' complaints and to redress the same expeditiously.

The Shareholders'/ Investors' Grievance Committee comprises of the following two Directors and majority of whom are Non - Executive Independent Directors.

Mr. Raj Kumar Bajoria	-	Chairman
Mr. S.C.Mishra	-	Member



The Shareholders'/Investors' Grievance Committee reviews and redress all the grievances periodically and meets as when required. The Company has not received any grievances during the financial year 2010-11.

D. Remuneration to Directors:

There is no Remuneration Committee. No Sitting fess has been paid to any Director .Remuneration Paid to the Managing Director is decided by the Board of Directors on the approval of shareholders at the general meetings.

E. Code of Conduct :

The Company has laid down a code of conduct for all Board Members and senior management personnel of the Company. All the directors and designated personnel in the senior management have affirmed compliance with the code through the year under review. A declaration to this effect duly signed by Director to this effect is enclosed at the end of this report

F. Annual General Meetings:

The Annual general Meetings of the Company (AGMs) have been held at the following places in the last three years:

Year	Location	Date	Time
2010	Hotel Sishmo , Bhubaneswar	30.09.2010	12:30PM
2009	Hotel Sishmo , Bhubaneswar	30.09.2009	12:30PM
2008	Hotel Sishmo , Bhubaneswar	30.09.2008	12:30PM

No special resolution was put through postal ballot.

G Disclosures:

- a) Disclosures on materially significant related party transactions i.e. transaction of the Company of material nature with its Promoters, the Directors or the Management their relatives, or subsidiaries, etc. that may have potential conflict with the interest of the Company at large
The details of related party transactions during the year have been set out in the Annexure under Schedule "O" of the Annual Accounts.
- b) Details of Non-Compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities or any matter related to capital markets :
The company has complied with the requirements of the Stock Exchanges/SEBI and Statutory Authorities on all matters related to capital Markets during the last three years and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory Authority
- c) Disclosure on Accounting treatment in preparation of Financial Statements:
The Company follows the guidelines as laid down in the Accounting Standard, prescribed by the Institute of Chartered Accountants of India for the preparation of Financial Statements.

H) Means of Communication:

- a) Financial Results:
Shareholders were intimated through the press about the quarterly performance and financial results of the Company. The quarterly and half-yearly unaudited financial results and the annual audited financial results are published in newspapers i.e. Samay and Indian Express Bhubaneswar Edition , The Quarterly results are not sent individually to the shareholders and are also sent immediately to the stock exchange with which the shares of the company are listed.
- b) Management's Discussion and Analysis Report:
The Management's Discussion and Analysis report form part of the Annual Report.



I) General Shareholders' information :

a) Annual General Meeting

Date and Time Venue 30th September 2011 at 12: 30 PM
Hotel Sishmo , Bhubaneswar Dist Khurda , Odisha

b) Financial Year Calendar for 2011-12 (Tentative and subject to change)

Results for the quarter ending 30th June, 2011	July ,2011
Results for the quarter ending 30th September, 2011	October 2011
Results for the quarter ending 31st December, 2011	January 2012
Results for the quarter ending 31st March, 2012	May 2012
Annual General Meeting for the year Ended 31st March 2012	September 2012

c) Date of Book Closure:

The books will be closed for the Annual General Meeting from 25th September, 2011 to 30th September, 2011 (both days inclusive).

c) Dividend Payment :-

Due to brought forward losses no dividend has been declared

d) Listing on Stock Exchanges:

Address of Stock Exchange:
The Calcutta Stock Exchange Association. Limited
7, Lyons Range
Kolkata - 700 001

The Bombay Stock Exchange
Phiroze Jeejeebhoy Towers
Dalal Street , Mumbai - 400 001

e) Stock Code:

The Calcutta Stock Exchange Association Limited (Physical form). - 19120
The Bombay Stock Exchange (Physical Form) - 502294

f) Registrar and Transfer Agent:

M/s S K Computers
34/ 1 A Sudhir Chatterjee Street
Kolkata-700006

g) Share Transfer System:

All the shares are being transferred and returned within 30 days from the date of receipt, so long as the documents have been cleared in all respect. The share Transfer Committee approves the share transfers. Share Transfer are done in Physical form. The Company is taking steps to offer to the Shareholders facility of dematerialization shares and trading in the depository System.

During the year ended 31st March 2011 , 548496 Nos of shares under 22 Nos .of transfers were affected. The Share Transfer Committee met three (3) Number of times during the financial year 2010-11.



h) Distribution of Shareholding as at 31st March 2011

(i) According to Category of Holding:

Shareholders	As on 31st March 2011		As on 31st March, 2010	
	No. of Shares	%	No. of Shares	%
Promoters	4378116	63.81	6057254	88.28
Banks, Financial Institutions & Insurance Companies	50000	0.73	389946	5.68
Private Corporate Bodies (Excluding Promoters)	2000	0.03	2000	0.03
Indian Public	2431334	35.43	412250	6.01
Total	6861450	100	6861450	100

(ii) According to Number of Shares held:

Shareholding Range	No. of shareholders	% of Shareholders	No. of shares	% of Shareholding
Up-to 500	2950	95.59	313600	4.57
500-1000	90	2.92	69300	1.01
1001-2000	20	0.65	29300	0.43
2001-3000	1	0.03	2050	0.03
3001-4000	--	--	--	--
4001-5000	--	--	--	--
5001-10000	--	--	--	--
10001 and above	25	0.81	6447200	93.96
Total:	3086	100	6861450	100

i) Dematerialisation of Shares:

As stated earlier, the Company's 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 are under process of getting the shares tradable and in demat mode

j) Address for Correspondence:

Nilachal Refractories Limited
Plot No - P/597 BJB Nagar, Lewis Road,
Bhubaneswar - 751 014, Odisha.

k) Plant Location:

Nilachal Refractories Limited
Ipitata Nagar , Dhenkanal , Odisha
759013



1) Registered Office:

Nilachal Refractories Limited
Plot No - P/597 BJB Nagar , Lewis Road ,
Bhubaneswar - 751 014, Odisha.

**To the Shareholders of Nilachal Refractories Limited
Sub : Compliance with Code of Conduct.**

I hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Board of Directors.

Suresh Prasad Nepak
Managing Director



CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION, ISSUED PURSUANT TO THE PROVISIONS OF CLAUSE 49 OF THE LISTING AGREEMENT.

To the Board of Directors of Nilachal Refractories Limited
Dear Sirs,

Sub : CEO Certificate on Financial Statements for the Financial Year 2010-11

I have reviewed the financial statement, read with the cash flow statement of Nilachal Refractories Limited for the year ended March, 31, 2011 and that to the best of my knowledge and belief, I state that;

- (a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may 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 my 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. I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and steps taken or proposed to be taken for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee;
 - (i) Significant changes in the internal control over financial reporting during the year.
 - (ii) Significant changes in accounting policies made 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 I 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

(Amitabh Chowdhury)
Chief Executive Officer

Place: Kolkata
Dated: 27th June, 2011



AUDITORS REPORT

TO THE MEMBERS OF NILACHAL REFRACTORIES LTD

1. We have audited the attached balance sheet of Nilachal Refractories Limited, as at 31st March, 2011, the Profit & Loss account and also the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.
3. As required by the companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 4.1 The Hon'ble Board of Industrial and Financial Reconstruction had declared the Company to be a sick Company and vide its Order dated 06/12/2005 and had approved the rehabilitation scheme and accordingly a change of Management had taken place with effect from 19/12/2005. The Hon'ble Board of Industrial and Financial Reconstruction vide order dated 11.11.2010 had reviewed the position of the Company and decided that the Company has ceased to be a sick Company within the meaning of section 3(1)(o) of the SICA and have discharged the Company from the purview of SICA/BIFR.
- 4.2 *The liability for Gratuity and leave salary payable to the staffs has been made as per actual liability as on 31st March' 2011 and not as per actuarial valuation and the liability has not been deposited in separate fund.*
5. Further to our comments in the Annexure referred to above and subject to note 4.2 above and read together with other notes in the schedule annexed to the financial statements for the year, we report that:



- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of our books.
- c. The balance sheet, profit & loss account and cash flow statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the companies act, 1956.
- e. On the basis of written representations received from the directors and taken on record by the Board of Directors we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director of the Company in terms of section 274(1) (g) of the companies act, 1956
- f. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the schedules and notes thereon and attached thereto give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. In the case of balance sheet, of the state of affairs of the Company as at 31st March, 2011;
 - ii. In the case of profit and loss account, of the profit for the year ended on that date; and
 - iii. In the case of cash flow statement, of the cash flows for the year ended on that date.

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

(Subhas Mukhopadhyay)
Partner

Membership Number : 050384

Kolkata
Dated :27th June 2011



**ANNEXURE TO AUDITOR'S REPORT FOR THE YEAR ENDED 31st MARCH, 2011 OF
NILACHAL REFRACTORIES LIMITED.**

(Referred to in paragraph 3 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) The assets have been physically verified by the management during the year where no material discrepancies were noticed.
 - (c) No fixed assets has been disposed off during the year.
- (ii)(a) The inventory has been physically verified during the year by the management where 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.
 - (d) Accounting Standard -2 in respect of non provision of excise duty on closing stock of finished goods , consequently the value of closing stocks is understated by Rs. 5842273/-. However it has no impact on the working result of the year and revenue is neutral
- (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. The Company pursuant to meet its financial commitment, has brought in further unsecured loan from the promoters/share holders amounting in total to Rs.2655 lakh involving 15 parties and has repaid a sum amounting to Rs.435 lakh involving 8 parties retaining a balance of Rs. 2220 lakh at the year end.
 - (b) Interest @12.50% has been charged on such loans during the year and other terms and conditions of the loans brought in are, prima facie, not prejudicial to the interest of the Company.
 - (c) The principal has been partly repaid during the year under consideration as per mutual understanding and since the promoters are trying to expand the operation of the Company no amount is considered to be overdue.
 - (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 explanation 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) As regards to the unsecured loan brought in by the promoters are not covered under u/s 58A and 58AA. We state 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 has an internal audit system by external agency, commensurate with its size and nature of its business.
- (viii) Maintenance of cost records has not been prescribed by the Central Government under section 209(1) (d) of the Companies Act, 1956 in respect of the Company.
- (ix) a) As regards to statutory dues like Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and Investor Education and Protection Fund, no irregularities in deposit of undisputed dues were noticed. However, there were some delays on certain occasion with regard to deposit of undisputed statutory dues like Provident Fund, Employees State Insurance and Service Tax. The arrear of statutory dues on the last day of financial year concern for a period of more than six months from the date they became payable is Rs. NIL
- (b) According to the information and explanations given to us, there are no disputed dues of income tax, wealth tax, service tax, customs duty, excise duty, and cess except demands raised on sales tax and entry tax assessment which have been disputed and have not been deposited as 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 are more than fifty percent of its net worth at the year end. The Company has not 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 the 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 expansion of the manufacturing facilities 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 not made any preferential allotment of shares during the year.
- (xix) The Company has not issued any debenture during the year.
- (xx) The Company has not raised money by public issue during the year.
- (xx) 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: 27th June 2011

(Subhas Mukhopadhyay)
Partner
Membership Number : 050384


NILACHAL REFRACTORIES LIMITED
BALANCE SHEET AS AT 31st MARCH '2011

Schedule		(Rupees)	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
SOURCES OF FUNDS				
A	SHARE CAPITAL		169,232,625	169,232,625
B	RESERVE & SURPLUS		<u>1,500,000</u>	<u>1,500,000</u>
	TOTAL SHARE HOLDER'S FUNDS		<u>170,732,625</u>	<u>170,732,625</u>
LOANS				
C	a. Secured	<u>89,012,650</u>		<u>77,952,022</u>
D	b. Unsecured	<u>253,011,612</u>		<u>31,000,000</u>
	c. Total Loans		<u>342,024,262</u>	<u>108,952,022</u>
	TOTAL FUNDS EMPLOYED		<u>512,756,887</u>	<u>279,684,647</u>
APPLICATION OF FUNDS				
E	FIXED ASSETS			
	a. Gross Block		105,442,541	103,201,698
	b. Less: Depreciation		<u>79,433,028</u>	<u>76,745,529</u>
	c. Net Block		26,009,513	26,456,169
	d. Capital Work-in- Progress		<u>84,574,078</u>	<u>2,682,941</u>
	Sub Total		<u>110,583,591</u>	29,139,110
	DEFERRED TAX		16,311,099	21,317,629
CURRENT ASSETS, LOANS & ADVANCES				
F	a. Inventories	<u>125,842,362</u>		<u>81,552,450</u>
G	b. Sundry Debtors	<u>80,203,918</u>		<u>85,440,256</u>
H	c. Cash & Bank Balances	<u>17,968,654</u>		<u>8,701,815</u>
	d. Interest Accrued	<u>380,968</u>		<u>624,281</u>
I	e. Loans & Advances	<u>165,033,490</u>		<u>16,668,700</u>
	g. Total Current Assets		<u>389,429,392</u>	192,987,502
	Less: CURRENT LIABILITIES & PROVISIONS:			
J	a. Current Liabilities	<u>119,512,562</u>		<u>87,226,280</u>
K	b. Provisions	<u>2,297,326</u>		<u>1,579,956</u>
	NET CURRENT ASSETS		<u>121,809,888</u>	88,806,236
			<u>267,619,504</u>	<u>104,181,266</u>
	PROFIT & LOSS ACCOUNT		<u>118,242,693</u>	<u>125,046,642</u>
	TOTAL APPLICATION OF FUNDS		<u>512,756,887</u>	<u>279,684,647</u>
O	SIGNIFICANT ACCOUNTING POLICIES AND NOTES OF ACCOUNTS			

For and on behalf of the Board of Directors

Subject to our report of even date attached

 B. P. Jalan Vimal Prakash S. P. Nepak Aditya Purohit
 Director Director Managing Director Company Secretary

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

 Kolkata
 Dated : 27th June 2011

 (Subash Mukhopadhyay)
 Partner
 Membership Number : 050384


NILACHAL REFRACTORIES LIMITED
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH '2011

Schedule		As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
	INCOME		
M	SALE OF PRODUCTS AND OTHER INCOME	195,658,218	329,743,677
	EXPENDITURE		
N	MANUFACTURING AND OTHER EXPENSES	168,190,140	263,134,327
	DEPRECIATION	2,687,500	3,023,889
	INTEREST	12,589,152	11,534,590
L	MISC. EXPENDITURE WRITTEN OFF (Refer Note 1.8 to Schedule " O")	--	1,600,000
	TOTAL EXPENDITURE	183,466,792	279,292,806
	PROFIT/(LOSS) FOR THE YEAR	12,191,426	50,450,871
	PROVISION FOR DEFERRED TAX PROVISION FOR FBT	(5,006,530)	(12,218,256)
	PROFIT/(LOSS) AFTER TAX	7,184,896	38,232,615
	PREVIOUS YEAR ADJUSTMENTS	(380,947)	109,756
	PROFIT/(LOSS) BROUGHT FORWARD	(125,046,642)	(163,389,013)
	PROFIT/(LOSS) CARRIED FORWARD OVER TO BALANCE SHEET	(118,242,693)	(125,046,642)
	Earning Per Share		
	Basic	0.99	5.59
	Diluted	0.99	5.59
O	SIGNIFICANT ACCOUNTING POLICIES AND NOTES OF ACCOUNTS		

Subject to our report of even date attached

For and on behalf of the Board of Directors

B. P. Jalan
Director

Vimal Prakash
Director

S. P. Nepak
Managing Director

Aditya Purohit
Company Secretary

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

(Subash Mukhopadhyay)
Partner

Membership Number : 050384

Kolkata
Dated : 27th June 2011



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2011

	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
A. CASH FLOW FROM OPERATION ACTIVITIES	(Rupees)	(Rupees)
Net profit as per Profit & Loss Account	11,810,479	50,560,627
Less: Depreciation Provision no longer require W/o	-	4,139,211
Interest earned	740,514	632,243
	740,514	4,771,454
Net profit before Tax and before extraordinary items	11,069,965	45,789,173
Add: Depreciation	2,687,500	3,023,889
Amortised Miscellaneous Expenses	-	1,600,000
	2,687,500	4,623,889
Operating profit before Working capital change	13,757,464	50,413,062
Change in:		
Trade & Other Receivables	(142,885,139)	(65,449,860)
Inventories	(44,289,912)	(22,020,719)
Trade Payables & Other Liabilities	33,003,652	18,655,262
Deferred Revenue Expenditures	-	(1,600,000)
	(154,171,399)	(70,415,317)
Net Cash used/generated in Operating Activities	(140,413,935)	(20,002,255)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital WIP	(84,131,980)	(7,128,385)
Sale of Fixed Assets	-	4,140,211
Interest received	740,514	632,243
Net Cash used/generated in Investing Activities	(83,391,466)	(2,355,931)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Receipt of Call money of Share Capital	-	9,90,00,000
Receipt of Investment money	-	-
Proceeds from Secured Borrowings	11,060,628	(5,650,003)
Proceeds from Unsecured Borrowings	222,011,612	(65,035,000)
	233,072,240	(70,685,003)
Repayment of Secured Borrowings	-	-
Repayment of Unsecured Borrowings	-	-
Net Cash used/generated in Financing Activities	233,072,240	28,314,997
NET INCREASE IN CASH & CASHEQUIVALENT (A+B+C)	9,266,839	5,956,811
Cash & Cash equivalent at start of the year	8,701,815	2,745,004
Cash & Cash equivalent at close of the year	17,968,654	8,701,815

For and on behalf of the Board of Directors

B. P. Jalan Director	Vimal Prakash Director	S. P. Nepak Managing Director	Aditya Purohit Company Secretary
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Auditor Certificate

We have verified the above Cash Flow Statement of Nilachal Refractories Ltd., derived from the Audited Financial Statements for the year ended 31st, March 2011 and found the same to be drawn in accordance therewith and also with the requirements of clause-32 of Listing Agreements with the Stock Exchanges.

Subject to our report of even date attached
For P. Mukhopadhyay & Co.
Chartered Accountants
Registration No. 302085E

(Subash Mukhopadhyay)
Partner
Membership Number : 050384

Kolkata
Dated : 27th June 2011



SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE "A": SHARE CAPITAL	(Rupees)	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
AUTHORISED			
29500000 (P.Y. 29500000) Equity shares of ₹ 10/- each		295,000,000	295,000,000
15000(P.Y.15,000) 11% redeemable cumulative Preference Shares of ₹ 100/- each		1,500,000	1,500,000
1035000(P.Y.-1035000) 0% redeemable preference shares of ₹ 100/- each		103,500,000	103,500,000
Total		400,000,000	400,000,000
ISSUED AND SUBSCRIBED			
69,00,000 (P.Y.-6900000) Equity shares of ₹ 10/- each		69,000,000	69,000,000
15,000(P.Y.-15000) 11% Redeemable Cumulative Preference shares of ₹ 100/- each		1,500,000	1,500,000
990000 (P.Y.-NIL) of 0% Redeemable Preference Shares of ₹ 100/- each		99,000,000	99,000,000
Total		169,500,000	169,500,000
PAID UP			
68,61,450(P.Y.-6861450) Equity shares of ₹ 10/- each fully paid in Cash		68,614,500	68,614,500
14,980.(P.Y.-14980) 11% Redeemable Cumulative Preference shares of ₹ 100/- each fully paid in Cash		1,498,000	1,498,000
990000(P.Y.-NIL) of 0% Redeemable Preference Shares of ₹ 100/- each fully paid in Cash		99,000,000	99,000,000
		169,112,500	169,112,500
Add: Forfeited Share Amount (Originally Paid Up)		120,125	120,125
		169,232,625	169,232,625
SCHEDULE "B": RESERVE & SURPLUS			
Central Subsidy		1,500,000	1,500,000
SCHEDULE "C": SECURED LOAN			
a. Term Loan with Canara Bank* (Secured by hypothecation of plant & machinery) * ₹ 102.62 Lakh (P.Y. ₹ 168.75 Lakh) payable within a year		27,894,809	35,184,168
b. Cash credit with Canara Bank (Secured by book debt, hypothecation of stock of Raw Material, Stores, Finished goods and Goods in process and on the Fixed Assets of the Company both present and future)		60,266,612	42,767,854
c. Canara Bank (Car Loan) (Secured by hypothecation of Assets Financed)		851,229	-
		89,012,650	77,952,022
SCHEDULE "D": UNSECURED LOAN			
a. Unsecured Loan from Promoters Body Corporates Individuals	246237533 6774079	253,011,612	31,000,000
		253,011,612	31,000,000



**SCHEDULE "E":
SCHEDULE OF FIXED ASSETS AS ON 31st MARCH'2011**

Description	Gross Block at cost as at 31.03.2010 (Rs)	Addition/ During the Year (Rs)	Deletion During the Year (Rs)	Gross Block at cost as at 31.03.2011 (Rs)	Total Depreciation Upto 31.3.2010 (Rs)	Depreciation for the Year (Rs)	Depreciation/ Amortization/ Impairment Adjustment for the Year (Rs)	Total Depreciation Upto 31.3.2011 (Rs)	Net Block as on 31.03.2011 (Rs)	Net Block as on 31.03.2010 (Rs)
Land & Site Development	1,751,851	250,000	-	2,001,851	-	-	-	-	2,001,852	1,751,852
Buildings	20,403,799	164,911	-	20,568,710	12,393,441	531,368	-	12,924,809	7,643,901	8,010,358
Plant & Machineries	71,820,992	525,320	-	72,346,312	57,420,630	1,493,725	-	58,914,355	13,431,957	14,400,362
Furnitures, Fittings & Equipments	5,087,409	491,549	-	5,578,958	4,048,620	442,769	-	4,491,389	1,087,569	1,038,788
Vehicles**	4,137,647	809,063	-	4,946,710	2,882,837	219,638	-	3,102,475	1,844,234	1,254,809
TOTAL	103,201,698	2,240,843	-	105,442,541	76,745,528	2,687,500	-	79,433,028	26,009,513	26,456,169
PREVIOUS YEAR	102,896,465	4,445,444	4,140,211	103,201,698	77,860,850	3,023,889	4,139,211	76,745,529	26,456,169	25,035,615
Capital Work-in-Progress	2,682,941	81,891,137	-	84,574,078	-	-	-	-	84,574,078	2,682,941
TOTAL	105,884,639	84,131,980	-	190,016,619	76,745,528	2,687,500	-	79,433,028	110,583,591	29,139,110
** Acquired agaisnt Bank Finance										

**SCHEDULE "F":
INVENTORIES**

	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
a. Raw Material, Coal & Fuel (At Cost)	40,762,765	27,948,919
b. Work-in-process (At Estimated Cost)	24,290,084	11,017,512
c. Finished Goods (At lower of cost and net realisable value)	56,721,094	38,530,011
d. By-Product (At net realisable value)	312,000	222,000
e. Stores & Spares (At Cost)	2,727,435	3,452,478
f. Packing Material (At Cost)	1,028,984	381,530
Total	<u>125,842,362</u>	<u>81,552,450</u>



SCHEDULE "G": SUNDRY DEBTORS (UNSECURED)	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
(Refer note 7 of Schedule "O")		
a. Outstanding for more than six months (Considered good unless otherwise stated)	34,940,177	11,246,796
Less : Provision for doubtful debt (included in 'a' above)	1,002,537	1,002,537
	33,937,640	10,244,259
b. Other Debtors.	46,266,278	75,195,997
Total	80,203,918	85,440,256

**SCHEDULE "H":
CASH & BANK BALANCES**

A. Cash in hand	271,267	118,965
B. Balance with Scheduled Banks		
a. In Current Accounts	6,337,033	116,714
b. In Deposit Accounts*	11,360,354	8,466,136
Total	17,968,654	8,701,815
* Lying with Bank as Margin Money		

**SCHEDULE "I":
LOANS & ADVANCES**

(Unsecured but considered good unless otherwise stated)		
a. Pre-paid expenses & Recoverable Dues	208,378	344,061
b. Advance for Capital Goods	134,994,042	6,936,920
c. Other Sundry Advances	27,469,186	7,038,905
(Recoverable in cash or kind or for value to be received)		
d. Deposit of Security and Earnest Money	2,452,933	2,439,863
	165,124,539	16,759,749
Less: Prov. for Irrecoverable Advance	91,049	91,049
Total	165,033,490	16,668,700



SCHEDULE "J": CURRENT LIABILITIES & PROVISIONS (Refer Note 7 and 9 to Schedule "O")	(Rupees)	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
a. Sundry Creditors			
MSME Enterprises	2,63,725		1,105,780
Others	6,95,13,322	69,777,047	65,880,544
b. Liabilities for Expenses		3,770,104	3,799,883
c. Statutory Liabilities		4,063,400	3,073,537
d. Security Deposits Received		648,023	648,023
e. Advance Received from Customers		41,253,988	12,718,513
Total		119,512,562	87,226,280
 SCHEDULE "K": PROVISIONS			
Provision For Gratuity		1,388,298	893,897
Provision for Leave Encashment		909,028	686,059
Total		2,297,326	1,579,956
 SCHEDULE "L": MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
ROC Expenses (Defferred)		-	1,600,000
Less: Written off during the year		-	1,600,000
Balance Carried Forward		-	-
		-	-


SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	As at 31.03.2011 Current Year (Rupees)	As at 31.03.2010 Previous Year (Rupees)
SCHEDULE "M":		
SALE OF PRODUCTS & OTHER INCOME		
1. Sale of Products	190,811,337	341,498,775
Less: Excise Duty	12,302,675	19,073,141
Less: Sales Return	397,265	299,638
	178,111,397	322,125,996
2. Other Income:		
a. Sale of Waste Material	6,486,760	4,099,238
b. Interest earned on Deposits (Gross TDS ₹ 80,317 & PY ₹ 71,324)	740,514	632,243
c. Liabilities no longer required written back	9,163,005	2,886,200
d. Miscellaneous Receipts	1,156,542	7,617,681
	17,546,821	7,617,681
	195,658,218	329,743,677
SCHEDULE "N":		
MANUFACTURING & OTHER EXPENSES		
1. Raw Materials consumed	87,175,905	163,934,488
2. Stores & Spares consumed	5,036,313	5,526,722
3. Coal & Fuel Consumed	42,932,232	34,438,710
4. Payment to & Provision for Employees:		
a. Salaries, Wages & Bonus (Refer to Note 22 to Schedule "O")	10,242,786	7,869,956
b. Contribution to PF & Other Funds	3,146,900	3,077,054
c. Workmen & Staff welfare Expenses	631,854	712,475
	14,021,540	11,659,485
5. Operation & Other Expenses		
a. Electricity & Water charges	9,251,419	8,870,059
b. Insurance & Tax	262,243	330,033
c. Rents & Rates	367,463	234,531
d. Conversion & other Mfg. Expenses	19,048,733	22,049,532
e. Repairs to Plant & Machinery	6,345,465	9,452,598
f. Repairs to Buildings	248,454	442,206
g. Other Repairs	63,202	99,859
h. Travelling & Conveyance	1,858,252	1,468,114
i. Telephone & Telex	432,054	445,082
j. Royalty Paid	3,620,124	4,568,169
k. Other expenses	9,080,397	7,713,284
	50,577,806	55,673,467
6. (Increase)/Decrease in stock of finished goods & work in process)		
a. Closing stock	81,323,178	49,769,523
b. Opening stock	49,769,523	41,670,978
	(31,553,655)	(8,098,545)
Total	168,190,140	263,134,327



SCHEDULE "O"

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. ACCOUNTING POLICY

Accounts are maintained under the mercantile system of accounting, adopting historical cost convention. The significant accounting policies are:

1.1. Revenues:

Sales are inclusive of excise duty. Bonus claims, linked to operating efficiency of products, are recognized upon crystallization.

1.2. Claims:

Claims of the Company towards loss, damage and escalation are accounted when there is a certainty that the claim is realizable.

1.3. Valuation of Inventories:

Raw materials, semi finished products and goods-in-process are valued at cost. Finished products are carried at lower of cost and net realizable value. Stores and spares are carried at cost. Cost for the purpose of valuation is generally ascertained on weighted average basis.

1.4. Fixed Assets:

Fixed assets are valued at original cost of acquisition including taxes, duties, freight and other incidental expenses relating to acquisition and installation.

a) Depreciation:

Depreciation is provided on a straight line basis applying the rates specified in Schedule XIV to the Companies Act, 1956.

b) Impairment of Assets :

The company reviews the carrying value of the assets for any possible impairment on each balance sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

1.5. Foreign Currency:

Transactions in foreign currency are accounted for at the prevailing rate on the transaction date. The year end balances in foreign currency are re-stated at the closing rate and the resultant difference is carried to Profit & Loss Account.

1.6. Borrowing Cost:

The borrowing costs those are directly attributable to the acquisition, construction or production of a qualifying assets are capitalized.

1.7. Research and Development Expenditure:

Revenue expenditure on Research and Development is charged out in the year in which it is incurred. Expenditure, which results in creation of assets, is included in fixed assets and depreciation is provided on such assets are applicable.

1.8. Intangible Assets:

Expenditure incurred is treated in accordance with the provisions of Accounting Standard-26 "Intangible Assets" issued by the ICAI.



1.9. Basis of Preparation of Financial Statements:

- (i) The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956.
- (ii) The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

1.10. Use of Estimates.

The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.11. Provision, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.12. Retirement Benefits:

- a) Contribution towards Provident Fund is being charged to revenue on accrual basis and is deposited to regional office of the concerned authority
- b) Provision for gratuity has been made on the method as prescribed in the respective act.
- c) Provision has been made for accrued leave salary due to the employees, computed with reference to unavailed leave of the employee at the year end.

NOTES ON ACCOUNT

2. 1 a) The Hon'ble BIFR by order dated 11/11/2010 has had reviewed the position of the Company and decided that the Company has ceased to be a sick industrial Company within the meaning of section 3(1)(o) of the SICA and have discharged the Company from the purview of SICA/BIFR.
- b) Pursuant to Para No. 13.13. (2) of the Order dated 06/12/2005 of the Hon'ble BIFR, the new promoters have brought in Unsecured loan amounting to ₹ 2655 Lacs (P.Y. ₹ 920.65 Lacs) to meet the rehabilitation cost. Since the said amount brought in by the Promoters is in compliance with the order dated 06/12/2005 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..
- 2) a) 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 ₹ 41.60 Lacs or the dividend payable thereafter.



- 3) The total unsecured loan includes ₹ 67 Lacs (previous year ₹ 60 lacs) taken from directors of the Company.
- 4) 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 during the year that the relevant department of the Government of Orissa has still not recorded the acquisition in their record.
- 5) 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.

- 6) The Deferred Tax Assets as at 31st March 2011 comprises of the following:

(i) Liabilities	As at 31.03.2011	As at 31.03.2010
For Difference in Depreciation between books and IT	17,57,337	16,53,959
Total of liabilities	17,57,337	16,53,959
 (ii) Assets		
For timing difference of expenses	7,09,874	4,88,206
For Losses Under I.T.Act.	1,73,58,562	2,24,83,382
Total of assets	1,80,68,436	2,29,71,588
Net Deferred TaxAssets (ii)–(i)	1,63,11,099	2,13,17,629

- 7) 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.
- 8) 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.
- 9) 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, 2011 excepting as mentioned below. 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. The name of MSM Enterprises Units to whom amount in excess of Rs. 1.00 Lacs are due for more than 45 days are given below. :

Name of the Company	Amount (Rs.)
Biswakarma Fabricators	2.63 lacs

- 10) As per practice followed/adopted, excise duty payable on finished goods held in stock is neither included in expenditure nor considered in valuing such stocks, but is accounted for on clearance of goods from factory. This has however no impact on the Profit & Loss Account of the company.



11) Loans and advances include ₹ 6.53 lacs (Previous Year ₹ 6.53 Lacs) collected by Sales Tax & Central Excise authorities against demand not acknowledged by the Company as a debt. The above amounts are included in the figure disclosed under item 12.3.1 of this schedule.

12.1) Contingent Liabilities not provided.

	2010-11 (₹ in Lacs)	2009-10 (₹.in Lacs)
Counter Guarantee given to Bank for Bank Guarantee	89.61	103.70

12.2) Claims against the company not acknowledged as debt and are being contested before appropriate authorities.

	2010-11 (Rs.in Lacs)	2009-10 (Rs. In Lakhs)
12.3.1 Sales Taxes	96.28	96.28
12.3.2 Water Charges	7.14	7.14
12.3.3 Other Liabilities	9.94	24.70
12.3.4 Orissa Entry Tax	4.17	4.17

13. Miscellaneous expenses include following payment to auditors :

13.1 As Auditors for Statutory Audit	30000	25,000
13.2 For other services Certification	2000	NIL
13.3 Reimbursement of expenses (The above figures are excluding Service Tax and Cess Thereon)	NIL	NIL

14. Information of goods manufactured : (Refractories & Mortar)

Licensed Capacity (MT)	28,000	28,000
Installed Capacity (MT)	28,000	28,000
Actual Production (MT)	17,536	26,234

15 Turnover, Opening and Closing Stock :

		2010-11		2009-10	
		(MT)	(₹ in lakhs)	(MT)	(₹ in lakhs)
Turnover	Mortar	8544	929.57	11023	1155.59
	Bricks	7333	978.54	14665	2369.35

Opening & Closing Stock :

	2010-11	2009-10
	(MT)	(MT)
Opening Stock (Bricks)	3219*	2673*
Opening Stock (Mortar)	0	0
Closing Stock (Bricks)	4152*	3219*
Closing Stock (Mortar)	726	0

*Includes 354 MT of assorted Bricks(rejected/non moving finished goods)



16. Raw Material Consumption

	2010-11		2009-10	
	(MT)	(₹)	(MT)	(₹)
Plastic Clay	2011	2473935	2966	3119547
Raw Non-Plastic Clay	7301	13318021	6254	5543896
Grog	1258	10642923	2954	41268937
Calcined Clay	3934	12145693	2917	10015853
Silminite Sand	666	5924299	956	9191659
Raw Pyrophilite Lumps	3142	9720502	1163	7070386
Dry Impervious Material	564	10905794	589	13704884
Others	1988	22044738	10716	74019326
Total :	20864	87175905	28515	163934488

Cenvat during the year amounting to ₹ 58,14,537 (Previous Year : ₹ 53,42,161) has been adjusted against their respective raw material account.

17.1. Value of consumption of imported and indigenous raw materials and their percentage of each to total consumption :

	2010-11		2009-10	
	(₹)	(%)	(₹)	(%)
Imported Raw Materials	11566168	13	1,23,80,258	8
Indigenous Raw Materials	75609737	87	15,15,54,230	92

17.2. Value of consumption of imported and indigenous stores & spares and their percentage of each to total consumption :

	2010-11		2009-10	
	(₹)	(%)	(₹)	(%)
Indigenous stores & spares	5036313	100	55,26,722	100

18. Earning per share

31-03-2011

31-03-2010

Net profit/(-) loss for the period	(Rs.)	6803949	38342371
Less : Dividend on preference share	(Rs.)	Nil	Nil
Net profit attributable to equity shareholders	(Rs.)	6803949	38342371
Basic weighted average number of shares		6861450	6861450
Basic E.P.S	(Rs.)	0.99	5.59
Diluted weighted average number of shares		68,61,450	68,61,450
Diluted E.P.S	(Rs.)	0.99	5.59
Nominal value of Equity shares (Basic/Diluted)	(Rs.)	10	10

19.1. Value of Imports

(Calculated on CIF Basis)

2010-11

2009-10

Raw Materials	15764343.00	12134210.00
---------------	-------------	-------------



	2010-11 (Rs.in Lacs)	2009-10 (Rs. In Lakhs)
19.2. Expenditure in Foreign Currency (On Cash Basis)		
Raw Materials	6389598.00	11322768.00
Travelling	2536476.00	455046.00
Royalty	3662671.00	2173201.00
Advance for Capital Goods	128205418.00	6936920.00
Others	5441411.00	1405050.00
20.1 Earnings in Foreign Exchange		
Sales	0.00	1115138.00
Advance against Sales	36407927.00	0.00
20.2 Reimbursement of Expenses Received in Foreign Currency		
Travelling	NIL	NIL
21. Related Party Disclosures :		
21.1 List of Related Parties where control exists :-	Nil	
21.2 Other Related Parties with whom transactions have taken Place during the year :		

Name	Nature of Transaction	2010-11 (Amount in Rs.)	2009-10 (Amount in Rs.)
Associated Industrial Furnaces Pvt. Ltd.	Sales	1,017,280.00	3,144,109.00
Chetna Distributors Pvt. Ltd.	Loan converted into Pref. Shares	-	10,000,000.00
Eynthia Tie Up Pvt. Ltd.	Loan Taken	471,536.00	27,000,000.00
Eynthia Tie Up Pvt. Ltd.	Loan converted into Pref. Shares	-	23,000,000.00
Eynthia Tie Up Pvt. Ltd.	Interest Paid	523,929.00	-
Ganapati Industrial Pvt. Ltd.	Loan Taken	5,362,106.00	-
Ganapati Industrial Pvt. Ltd.	Interest Paid	402,340.00	-
Ganapati Industrial Pvt. Ltd.	Repayment of Loan	5,362,106.00	-
Industrial Associates	Purchase	-	4,186,880.00
Jekay International Track Pvt. Ltd.	Loan Taken	53,694,760.00	10,000,000.00
Jekay International Track Pvt. Ltd.	Interest Paid	1,327,511.00	-
Jekay International Track Pvt. Ltd.	Repayment of Loan	10,835,149.00	-
Jekay International Track Pvt. Ltd.	Sales	-	287,163.00
Jekay Rolling Mill Pvt. Ltd.	Loan Taken	-	7,000,000.00
Jekay Rolling Mill Pvt. Ltd.	Loan converted into Pref. Shares	-	7,000,000.00
Keshan Polymers (P) Ltd.	Loan Taken	32,248,235.00	-
Keshan Polymers (P) Ltd.	Interest Paid	1,831,372.00	-
Metropolitan Commercial Pvt. Ltd.	Loan Taken	1,015,103.00	2,500,000.00
Metropolitan Commercial Pvt. Ltd.	Repayment of Loan	1,015,103.00	-



Name	Nature of Transaction	2010-11 (Rs.in Lacs)	2009-10 (Rs. In Lakhs)
Metropolitan Commercial Pvt. Ltd.	Interest Paid	16,781.00	-
Metropolitan Commercial Pvt. Ltd.	Loan converted into Pref. Shares	-	5,000,000.00
Minicraft Enterprise Pvt. Ltd.	Loan Taken	-	2,500,000.00
Minicraft Enterprise Pvt. Ltd.	Repayment of Loan	-	6,100,000.00
Nidhi Jalan	Loan Taken	11,099,175.00	-
Nidhi Jalan	Repayment of Loan	11,063,801.00	-
Nidhi Jalan	Interest Paid	110,194.00	-
Niraj Jalan	Loan Taken	-	2,000,000.00
Niraj Jalan	Loan converted into Pref. Shares	-	2,000,000.00
NRL Clayburn Ltd.	Sales	77,923,156.00	101,429,546.00
PPSuppliers & Agencies Pvt. Ltd.	Loan Taken	7,696,698.00	2,200,000.00
PPSuppliers & Agencies Pvt. Ltd.	Repayment of Loan	7,165,294.00	-
PPSuppliers & Agencies Pvt. Ltd.	Interest Paid	218,553.00	-
PPSuppliers & Agencies Pvt. Ltd.	Loan converted into Pref. Shares	-	6,500,000.00
Pankaj Jalan	Loan Taken	2,516,952.00	2,500,000.00
Pankaj Jalan	Repayment of Loan	2,516,952.00	-
Pankaj Jalan	Interest Paid	18,836.00	-
Pankaj Jalan	Loan converted into Pref. Shares	-	2,500,000.00
Parwati Devi Jalan	Loan Taken	2,022,193.00	-
Parwati Devi Jalan	Repayment of Loan	2,000,000.00	-
Parwati Devi Jalan	Interest Paid	24,659.00	-
Piyush Jalan	Loan Taken	3,568,799.00	2,300,000.00
Piyush Jalan	Repayment of Loan	3,559,590.00	-
Piyush Jalan	Interest Paid	76,443.00	-
Piyush Jalan	Loan converted into Pref. Shares	-	2,300,000.00
Pushpak Dealcom Pvt. Ltd.	Loan Taken	5,084,761.00	-
Pushpak Dealcom Pvt. Ltd.	Interest Paid	94,179.00	-
Pushpak Dealcom Pvt. Ltd.	Repayment of Loan	-	18,000,000.00
Pushpak Dealcom Pvt. Ltd.	Loan converted into Pref. Shares	-	7,700,000.00



Name	Nature of Transaction	2010-11 (Rs.in Lacs)	2009-10 (Rs. In Lakhs)
Seasons Trading & Investments Pvt. Ltd.	Loan Taken	90,814,021.00	13,000,000.00
Seasons Trading & Investments Pvt. Ltd.	Interest Paid	3,015,579.00	-
Seasons Trading & Investments Pvt. Ltd.	Repayment of Loan	-	13,000,000.00
Sri S.P Nepal	Remuneration	1,121,460.00	718,200.00
Sushil Kumar Agarwal	Loan Taken	324,181.00	6,000,000.00
Sushil Kumar Agarwal	Interest Paid	360,201.00	-
Sushil Kumar Agarwal	Repayment of Loan	-	13,000,000.00
Unimark International Pvt. Ltd.	Loan Taken	49,227,965.00	14,600,000.00
Unimark International Pvt. Ltd.	Interest Paid	3,031,072.00	-
Unimark International Pvt. Ltd.	Loan converted into Pref. Shares	-	33,000,000.00
Vijay Kumar Agarwal	Loan Taken	383,122.00	465,000.00
Vijay Kumar Agarwal	Interest Paid	425,691.00	-
Vijay Kumar Agarwal	Repayment of Loan	-	8,000,000.00

22. Salaries, Wages and Bonus includes Remuneration paid to 1 (One) Whole Time Director (Previous year One whole time Directors) amounting to ₹ 11.21 Lakhs for the financial year 2010 - 11 (Previous year ₹ 7.18 Lakhs) as approved by the Shareholders.
23. Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1992.27 lakhs (Previous year ₹ 1875.93 lakhs. Advance paid for Capital Goods ₹ 1349.94 lakhs (Previous year ₹ 69.37 lakhs) .
24. 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.
25. Previous year's figures have been regrouped, rearranged and recasted wherever found necessary.



25. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

25.1 REGISTRATION DETAILS

a) Registration No.	:	L26939OR1977PLC000735
b) State Code	:	15
c) Balance Sheet Date	:	31-Mar-11

25.2 CAPITAL RAISED DURING THE YEAR (AMOUNT IN RS. THOUSANDS)

a) Public Issue	:	Nil
b) Right Issue	:	Nil
c) Bonus Issue	:	Nil
d) Private Placement	:	Nil

25.3 POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (AMOUNT IN RS. THOUSANDS)

Total Liabilities	:	512,757
Total Assets	:	512,757
A) SOURCES OF FUNDS :		
Paid up Share Capital	:	169,233
Reserves & Surplus	:	1,500
Secured Loans	:	89,013
Unsecured Loans	:	253,011
B) APPLICATION OF FUNDS :		
Net Fixed Assets	:	110,584
Investments	:	-
Deferred Tax Assets	:	16,311
Net Current Assets	:	267,619
Misc. Expenditure	:	Nil
Accumulated Losses	:	118,243

25.4 PERFORMANCE OF COMPANY (AMOUNT IN RS. THOUSANDS)

a) Turn Over (Gross Revenue)	:	195,658
b) Total Expenditure	:	183,848
c) Profit / (Loss) before Tax	:	11,810
d) Profit / (Loss) after Tax	:	6,804
e) Earning Per Share in Rs.	:	0.99
f) Dividend Rate %	:	Nil

25.5 GENERIC NAME OF THREE PRINCIPAL PRODUCTS OF COMPANY (AS PER MONETARY TERMS)

25.5.1	Item Code No.(ITC Code)	:	69022020
	Product Description	:	Bricks & Shapes,High Alumina
25.5.2	Item Code No.(ITC Code)	:	69029010
	Product Description	:	Fire Clay Bricks & Shapes
25.5.3	Item Code No.(ITC Code)	:	69039040
	Product Description	:	Monolithics/Castables (Fireclay,High Alumina)

Signature to Schedule "A" to "O"

Subject to our report of even date attached

For and on behalf of the Board of Directors

B. P. Jalan
Director

Vimal Prakash
Director

S. P. Nepak
Managing Director

Aditya Purohit
Company Secretary

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

(Subash Mukhopadhyay)
Partner

Membership Number : 050384

Kolkata

Dated : 27th June 2011



NILACHAL REFRACTORIES LIMITED

BOARD OF DIRECTORS

Mr. Bhagawati Prasad Jalan *Chairman*
Mr. Suresh Prasad Nepak *Managing Director*
Mr. Vijay Kumar Agarwal
Mr. Vimal Prakash
Mr. Kamal Prakash
Mr. Niraj Jalan
Mr. Sajjan Bhajanka
Mr. Kamal Kishore Sharda
Mr. Hari Krishna Chaudhury
Mr. Raj Kumar Bajoria
Mr. Shakti Kumar Banerjee
Mr. Subhas Chandra Mishra

AUDITORS

P. Mukhopadhyay & Co.
Chartered Accountants

BANKER

Canara Bank

REGISTERED OFFICE

P/597, BJB Nagar, Lewis Road
Bhubaneswar - 751 014, Odisha

FACTORY

IPITATA Nagar
Dhenkanal - 759 013, Odisha



NILACHAL REFRACTORIES LIMITED

PROXY FORM

I/We.....

of in the district of

being a member/members of the above named Company hereby appoint

.....

of in the district of

or failing him

of in the district of

as my/our proxy to vote for me/us on my/our behalf at the Thirty Fourth Annual General Meeting of the Company to be held on 30th day of September, 2011 and at any adjournment thereof.

Signature

Please
affix Re.1
Revenue
Stamp

NILACHAL REFRACTORIES LIMITED

Member/Proxy*

(in Block letters)

Name of Proxy

(in Block letters, to be filled in if the Proxy attends instead of the Member)

No. of shares held

I hereby record my presence at the Annual General Meeting to be held on 30th day of September, 2011.

Signed this day of 2011.

Member's/Proxy's Signature **

* Delete whichever is not applicable

** To be signed at the time of handing over this slip.

Note : 1 You are requested to sign and hand over this slip at the entrance of the meeting venue.



34TH ANNUAL REPORT

2010-2011



NILACHAL REFRATORIES LIMITED

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