



NILACHAL REFRACTORIES LTD.

CIN: I.26939OR1977PLC000735, GSTIN: 21AABCN1241N1ZS

Flat No.23, 3rd Floor, Block 'D' Chowringhee Mansion, 30 J N Road, Kolkata-700016, INDIA

Tel : 033 4002 9301 / 302 / 400, Fax : 033 2249 9511 / 8256, Email: info@nilachal.in

Date: 02/09/2025

To

BSE Limited
Department of Corporate Services
Floor 25, P.J.Towers
Dalal Street
Mumbai-400001
Scrip Code: 502294

Dear Sir/Madam,

Sub:

1. **Notice of 48th Annual General Meeting and Annual Report for the FY ended March 31, 2025**
2. **Closure of Register of Members and Share Transfer Books etc.**

1. Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; we enclosed herewith please find Notice of the 48th Annual General Meeting (AGM) and Annual Report of the Company for the FY ended March 31, 2025. Please note that the 48th AGM will be held on Thursday the 25th September, 2025 at 12.30 P.M. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for which purpose the Registered Office of the Company situated at P-598/599, Kedarnath Apartment, Mahabir Nagar Lewis Road, Khordha, Bhubaneswar, Orissa, shall be deemed as the venue for the Meeting.
2. Pursuant to Section 91 of the Companies Act, 2013 and rules made thereunder and Regulation 42 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), **Register of Members and Share Transfer Books of the Company will remain closed from Friday, 19th September, 2025 to Thursday, 25th September, 2025 (both days inclusive) for the purpose of the AGM.. Cut-off Date for the purpose of AGM has been fixed on 18th September, 2025.**
3. In accordance with the applicable circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India , the Notice of the AGM along with the Annual Report for the FY 2024-2025 are being dispatched in electronic mode only to the Members whose email IDs are registered with the Company/ Registrar and Transfer Agent/Depository Participants.
4. Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path, where complete details of the Annual Report is available, is being sent to those shareholder whose e-mail addresses are not registered with Company/RTA/Depository participants.
5. The Notice of AGM along with the Annual Report for the Financial Year 2024-25 is also available on the website of the Company at www.nilachal.in

Works: Ipitata Nagar, Gundichapada, Dhenkanal-759025, Odisha, Email: nrl.dnk@gmail.com

Regd. Office: P-598/599, Kedarnath Apartment, Mahabir Nagar, Lewis Road, Bhubaneswar-751002 (Odisha)



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This is for your information and record.

Thanking you,
Yours faithfully,

For Nilachal Refractories Limited

Vijay Kumar Gupta
Company Secretary & Compliance Officer
Membership No. 34197

Encl: as above.



48th ANNUAL REPORT

2024-2025



NILACHAL REFRATORIES LIMITED

CIN: L26939OR1977PLC000735



Notice to the Shareholders

NOTICE is hereby given that the Forty Eight (48th) Annual General Meeting of the Members of **NILACHAL REFRACTORIES LIMITED** will be held on Thursday, 25th September 2025 at 12:30 p.m. (IST) through Video Conferencing (VC)/Other Audio Visual Means (OAVM), to transact the following business:-

ORDINARY BUSINESS-

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon:

“RESOLVED THAT the audited standalone financial statements including the Balance Sheet of the Company as at March 31, 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement for the year ended on that date together with all the notes annexed and the Directors’ and Auditors’ Reports thereon, placed before the meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Vinay Agarwal [DIN: 02341559] who retires by rotation, and being eligible, offer himself for re-appointment and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolutions as an Ordinary Resolution.”

“RESOLVED THAT Mr. Vinay Agarwal [DIN: 02341559] Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company.”

3. SPECIAL BUSINESS

To appoint Secretarial Auditor of the Company for a term of 5 (five) consecutive years and in this regard to consider and if thought fit, to pass, the following resolution, as an Ordinary Resolution:

“RESOLVED THAT, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, Ms Twinkle Agarwal, Practicing Company Secretaries (Membership No. 52868 (A) ; C.P. No. 25605; Peer Review: 6139/2024), Kolkata, be and is hereby appointed as the Secretarial Auditors of the Company to conduct the Secretarial Audit for the Company for a term of 5 (five) consecutive financial years commencing from the financial year 2025-2026 up to and including the financial year 2029-2030 at a remuneration of Rs. 10,000/-. (Ten thousand) per annum.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered, necessary, expedient or desirable to give effect to this resolution”

Place: Kolkata
Date: 25th August 2025

**By Order of the Board
For Nilachal Refractories Limited**

**SD/-
Vijay Kumar Gupta
(Company Secretary)
Membership No. 34197**

NOTES:

1. Ministry of Corporate Affairs ("MCA") has vide its General Circulars dated 19th September 2024, 25th September, 2023, 28th December, 2022, 5th May 2022, 14th December, 2021, 8th December, 2021, 13th January, 2021, 5th May, 2020, 13th April 2020, 8th April 2020, and (collectively referred to as 'MCA Circulars') and SEBI vide its Circulars dated 3rd October 2024, 7th October, 2023, 5th January, 2023, 13th May, 2022, 15th January, 2021 and 12th May, 2020 (collectively referred to as 'SEBI Circulars') SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD2/P/ CIR/2024/133 dated October 3, 2024 (collectively referred to as "SEBI Circulars"), have permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through VC / OAVM without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended) ("Listing Regulations") and MCA Circulars, the 48th AGM of the Company shall be conducted through VC / OAVM. The deemed venue for the AGM shall be P-598/599, Kedarnath Apartment, Mahabir Nagar Lewis Road, Khordha, Bhubaneswar, Orissa, India, 751002.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting or other applicable e-voting during AGM.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.nilachal.in. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at <http://www.bseindia.com> and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. <http://www.evoting.nsdl.com>.



7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. The Register of the Members and Share Transfer Books will remain closed from Friday, 19th September 2025 to Thursday 25th September 2025 (both days inclusive) in terms of the provision of Section 91 of the Companies Act, 2013.
9. **Special Window:** SEBI vide Circular No. SEBI/ HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025, decided to open a special window for a period of six months, from 7th July, 2025 to 6th January, 2026 only for re-lodgement of transfer deeds, which were lodged prior to April 01, 2019 and rejected/returned/not attended to due to deficiency in the documents/process/ or otherwise. Eligible shareholders are requested to contact the Company's Registrar and Transfer Agent ('RTA') i.e. SK Infosolutions Private Limited at skcdilip@gmail.com, Tel: 033-24120027 or the Company at cs.nilachal.in for further assistance.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Monday 22nd September 2025, at 09:00 A.M. and ends on Wednesday 24th September 2025 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date i.e. 18th September, 2025) may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 18th September 2025.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of share holders	Login Method
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<p>Individual Shareholders holding securities in demat mode with NSDL.</p>	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e- Services, option to
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register is available at <https://eservices.nsdl.com>. Select “Register Online for IDeAS Portal” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com>/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App “NSDL Speed e” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	<p>Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <ol style="list-style-type: none"> 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e- Voting link available on www.cdslindia.com home page .The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also log in using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e- Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, where in you can see e-Voting feature .Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget



Password option available at abovementioned website.

Help desk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Log in type	Help desk details
Individual Shareholders holding Securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding	Members facing any technical issue in login can Contact CDSL helpdesk by sending a request at

Securities in demat mode with CDSL

helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 or 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Pass word details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a. pdf file. Open the .pdf file. The pass word to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID'and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **Process for those shareholders whose e - mail ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial pass word" or have forgotten your password:
- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by e-mail to csrajasingh2014@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is send through e-mail and holding shares as of the cut-off date i.e. 18th September, 2025, may obtain the login ID and pass word by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30** . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the



5. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut- off date i.e . 18th September, 2025.
6. Mr. Rajan Singh, Practicing Company Secretary (Membership No. F-10541, CP No. 13597) has been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.
7. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make, within a period not exceeding 48 (Forty Eight hours) of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes casted in favour or against, if any, forthwith to the Chairman of the Company or Director authorized by him in writing who shall countersign the same and declare the results of the voting forthwith.
8. The results shall be declared on or after the AGM of the Company. The results along with the Scrutinizer's Report will be placed on the website of the Company i.e www.Nilachal.in and on the website of the NSDL i.e www.evoting.nsdl.com immediately after the declaration of results by the Chairman or any person authorized by him in writing and shall be communicated to the BSE Limited. The resolution shall be deemed to be passed at the AGM of the Company, scheduled to be held on Thursday, 25th September, 2025.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@nilachal.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@nilachal.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Log in method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.



3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e- Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.



INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at cs@nilachal.in latest by 05:00 p.m. (IST) on Thursday, 18th September 2025.
6. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@nilachal.in latest by 05:00 p.m. (IST) on Thursday, 18th September 2025. The same will be replied by the company suitably.
7. Those share holders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. When a pre-registered speaker is invited to speak at the meeting but he/she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.



DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN FORTH COMING ANNUAL GENERAL MEETING:

As required by regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the particular of Director who is proposed to be re-appointed is given below:

Particulars	Mr. Vinay Agarwal
Date of Birth	17 th August, 1983
Date of Appointment	23 July 2020
Qualification	Graduate in Biotechnology from Boston University, USA.
Expertise in specific functional are	More than a decade of experience in refractory industries.
Directorship held in other Public company	NIL
Membership/Chairmanship of committees of other public companies (includes only Audit committees and Stakeholders Relationship Committee.)	NIL
Number of shares held in the Company	118622
The listed entity from which Director has resigned in last three years	NIL

NOTE:

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013

Item No.3

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to annex a Secretarial Audit Report with its Board's Report issued by a Company Secretary in Practice. In compliance with the above provisions, the Board of Directors at its meeting held on 25th August, 2025, subject to the approval of shareholders at the ensuing Annual General Meeting, approved the appointment of Ms. Twinkle Agarwal, Practicing Company Secretaries (Membership No. 52868 (A); C.P. No. 25605; Peer Review: 6139/2024), Kolkata, as the Secretarial Auditor of the Company for a term of 5 (five) consecutive years from financial year 2025-2026 up to financial year 2029-2030 at a remuneration of Rs. 10,000/. (Ten thousand) per year.

Brief Profile of Ms. Twinkle Agarwal, Company Secretaries:

Established in 2022, Ms. Twinkle Agarwal, Company Secretaries, is a Member of the Institute of Company Secretaries of India and is also a Commerce graduate from St. Xavier's College. She is a Practicing Company Secretary in the field of Corporate Laws, Securities Laws & Corporate Governance and Roc Compliances. She has also been involved in various Secretarial Audits and has been a part of the Company in completing forensic audit. She is also associated with various



listed and unlisted companies and has been assisting them in following corporate norms. The Board is of the opinion that the expertise and experience of Ms. Twinkle Agarwal would be valuable in ensuring continued adherence to the highest standards of secretarial and corporate compliance practices. Accordingly, the Board recommends the resolution for the approval of the Members. None of the Directors, Key Managerial Personnel or their relatives are in any way, financially or otherwise, concerned or interested in the resolution set out at Item No. 3 of the Notice.

By order of the Board

**For Nilachal Refractories Limited
SD/-**

**Vijay Kumar Gupta
(Company Secretary)
Membership No. 34197**

**Date: 25-08-2025
Place: Kolkata**



Nilachal Refractories Limited

DIRECTORS' REPORT

TO THE SHAREHOLDERS,

Your Directors are pleased to present the Forty Eight (48th) Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2025.

FINANCIAL HIGHLIGHTS:

(Rupees in Crores)

Particulars	Year ended 31st March 2025	Year ended 31 st March 2024
Turnover	1.06	3.14
Profit/(Loss)before depreciation and taxation	(21.56)	(0.63)
Less: Depreciation	(0.54)	(0.56)
Profit/(Loss) before Taxation	(22.10)	(1.20)
Less: Tax Expense(Deferred Tax)	0.08	5.29
Profit/(Loss) after tax	(22.01)	(6.49)
Add: Balance B/F from the previous year	(39.94)	(33.44)
Less: Adjustment for Prior Period Depreciation	0	0
Balance Profit/(Loss)C/F to the next year	(61.95)	(39.93)

FINANCIAL REVIEW

The Company has incurred a net loss of Rs.2201.77 (Previous Year Rs.649.66 lakhs) during the year ended March 31, 2025. However, the management is trying to rope in strategic investor and also intends to diversify into business which can be carried on in alignment with the industry it is operating. The management is also undertaking a plan to carry out optimum utilization of its resources and cost reduction initiatives. The management is further looking at expanding its product lines and enters new markets to increase its business and is hopeful to capture foreign market since there exists demand supply gap for the products the company manufactures. The company has already initiated dialogue with the foreign buyers and there has been very encouraging response from them.

DIVIDEND:

In view of brought forward losses, your directors are unable to recommend any dividend for the financial year ended 31st March, 2025.



TRANSFER TO RESERVES

No amount was transferred to Reserves during the F.Y. 2024-25.

HOLDING, SUBSIDIARY, ASSOCIATE COMPANY

The Company has no holding, subsidiary or associate Company therefore disclosures in this regard have not been provided in this Report.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered during the year were in the ordinary course of business and were on arm's length basis. There were no materially significant related party transactions entered by the Company during the year with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company.

The policy on related party transactions as approved by the Audit Committee and the Board of Directors is hoisted on the website of the Company i.e. www.nilachal.in

Since all related party transactions entered into by the Company were in the ordinary course of business and were on arm's length basis, therefore the requirement of furnishing the details in Form AOC-2 is not applicable to the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review the Company has not provided any loan, given any guarantee or made any investment governed under Section 186 of the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status of the Company's operation in future.

RISK MANAGEMENT

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

KEY MANAGERIAL PERSONNEL

During the financial year 2025-2026, on 01/08/25 Mr. Sukomal Kanti Guha resigned as the Company Secretary & Compliance Officer of the Company and with effect from 14/08/2025 Mr. Vijay Kumar Gupta was appointed as the Company Secretary & Compliance Officer of the Company. Further Mr. Dukhabandhu Prusty resigned as CFO from the Company on 18/06/25 and Mr. Jugal Prasad Sharma was appointed as the CFO of the Company w.e.f 14/08/25. No further changes had occurred in the directorship of the company during the fiscal year. Thus, Mr. Krishna Chandra Pusti, Manager, Mr. Vijay Kumar Gupta, Company Secretary & Compliance Officer, and Mr. Jugal Kumar Sharma, Chief Financial Officer are Key Managerial Personnel of the Company in accordance with the provisions of Section(s) 2(51), 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MEETINGS OF BOARD OF DIRECTORS

During the financial year under review, the board met Seven times i.e.

S.No	Date of Board Meeting	Sundaresan Radhakrishnan	Vimal Prakash	Ramesh kumar Dhandhanian	Bhagwati Prasad Jalan	Niraj Jalan	Sribash Chandra Mishra	Bindu Jain	Pradip Kr. Mohapatra	Vinay Agarwal
1	18/05/2024	YES	YES	YES	NO	YES	YES	YES	YES	YES
2	30/05/2024	YES	YES	YES	YES	YES	YES	YES	YES	NO
3	14/08/2024	YES	YES	YES	NO	YES	NO	YES	YES	NO
4	05/09/2024	YES	YES	NO	NO	NO	NO	YES	YES	YES
5	14/11/2024	YES	YES	NO	NO	YES	NO	YES	YES	YES
6	9/12/2024	YES	YES	NO	NO	YES	NO	YES	YES	YES
7	06/02/2025	YES	YES	NO	NO	YES	NO	YES	YES	YES

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The details with respect to Committee Meetings and attendance there at have been provided in the Corporate Governance Report forming part of the Annual Report.

EXTRACT OF ANNUAL RETURN

The Company's Annual Return in form MGT-7 can be viewed on the Company's website at <http://www.nilachal.in>

INDUSTRIAL RELATIONS

Industrial relations at Dhenkanal Plant of the Company remained harmonious and cordial during the Year under review. The Directors wish to convey their sincere appreciation for the cooperation and support provided by the employees of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 134(5) of the Companies Act, 2013, your "Directors" hereby confirm that:

- In the preparation of the annual accounts for the financial year ended 31st March, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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, 2025, and of the profit/loss of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;



- e) The directors had devised proper systems to ensure compliance with the provisions of all Applicable laws and that such systems were adequate and operating effectively;
- f) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;

PARTICULARS OF EMPLOYEES

Your Company comes under the provisions of the Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there by the Company Secretary was paid 2,70,978/-and the Chief Financial Officer was paid Rs. 3,00,000/-.

FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES

The Companies Act 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stipulates the performance evaluation of the Directors and its committees considering the said provisions as applicable, the Company has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination Committee and approved by the Board.

The Criteria for performance evaluation are as under:-

Attendance at meeting; Participation and Contribution; Responsibility towards stakeholders; Contribution in Strategic Planning; Compliance and Governance; Participation, Updating of Knowledge; Leadership; Relationships and Communications; resources; Conduct of Meetings.

Performance Evaluation of Board:-

Composition and Diversity of Board; Committees of the Board; Board & Committee Meetings; Understanding of the Business of the Company and Regulatory environment; Contribution to effective corporate governance and transparency in Company's Operation; deliberation/decisions on the Company's Strategies; Monitoring and implementation of the strategies and the executive management performance and quality of decision making.

Performance Evaluation of the Board Level Committees:-

The performance and effectiveness of the Committee, Frequency and duration, spread of talent and diversity in the Committee; Understanding of regulatory environment and development; interaction with the board.

Fraud Reporting (Required by Companies Amendment Bill, 2014)

No case of fraud has been reported to the Audit Committee or Board during the year.

AUDIT AND AUDITOR' S REPORT

At the 46TH AGM held on 11/11/2023, M/s. Jain Saraogi & Co. LLP Chartered Accountants (Firm Registration No.305004E) were appointed as the Statutory Auditor of the Company for a period of Five Years, starting from the Financial Year 2023-24 to 2027-28.

The Statutory Auditors on the financial statement for the financial year 2024-2025 forms part of the annual report , the Statutory Auditors have expressed qualified opinion which is self explanatory and management assures necessary action towards the same including carrying out necessary strategic decisions i.e. diversify its business which can be carried on in alignment with the industry, its operations. Further the Management is trying to rope in strategic investors.



SECRETARIAL AUDIT REPORT

The Board of Directors has appointed Ms. Twinkle Agarwal, Company Secretary in Practice (Membership No. 52868 (A); C.P. No. 25605; Peer Review: 6139/2024) to carry out the Secretarial Audit of the Company for a term of five consecutive financial years commencing from the financial year 2025-2026 and ending with financial years 2029- 2030, subject to the approval of the shareholder at the ensuing Annual General Meeting.

The Secretarial Audit Report for the financial years 31st March, 2025 is given as separate Annexure. The Report of Secretarial Auditor does not contain Qualification, Reservation or Adverse Remarks.

BOARD'S COMMENTS ON AUDITOR'S REPORT

The Board has carefully considered the observations made by the Statutory Auditors in their Report for the year ended 31st March 2025. The qualification relating to Capital Work-in-Progress (CWIP) arises from the manner of impairment testing and classification of certain long-standing assets; management, however, has relied on an independent valuation obtained from a Government-approved Chartered Engineer and considered the same to represent a fair reflection of value, with all relevant details appropriately disclosed in the financial statements. In respect of employee benefit obligations, the Company has recognized liabilities in line with applicable statutory requirements, though an actuarial valuation under Ind AS 19 has not been carried out, and the position has been transparently disclosed. With regard to redeemable preference shares and the related obligations of cumulative dividend and redemption premium, these are historical matters continuing from prior periods, and the figures have been duly explained in the notes to the accounts. On the issue of going concern, the financial statements have been prepared on that basis taking into account the Board's assessment of the circumstances, with all significant facts disclosed to provide clarity to the users of the accounts. Other matters raised by the Auditors, including accounting systems and statutory dues, have also been properly disclosed. The Board is of the view that, notwithstanding the qualifications, the financial statements present a true and fair view of the affairs of the Company in accordance with applicable laws and accounting standards.

COST RECORDS AND COST AUDIT

Maintenance of cost records and cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the company.

COMPOSITION OF AUDIT COMMITTEE

The constitution of the Audit Committee, Terms of Reference and the dates on which meetings of the Audit Committee were held are mentioned in the Corporate Governance Report for FY'24-25 forming a part of this Annual Report.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE, ETC

Information pursuant to section 134(3)(m) of the Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014 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.

DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION , PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero-tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action. During the year under review there were no cases of sexual harassment reported to the Company.



Compliance with the Maternity Benefit Act, 1961

The Company ensures compliance with the provisions of the Maternity Benefit Act, 1961, including the applicable amendments and rules framed there under and is committed to ensuring a safe, inclusive and supportive workplace for women employees. All eligible women employees are provided with Maternity benefits as stipulated under the Maternity Benefit Act, 1961.

VIGIL MECHANISM

Pursuant to Section 177 of the Companies Act, 2013 and the rules framed there under and pursuant to provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has established a mechanism through which all the stakeholders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle Blower Policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company http://nilachal.in/head_of_policies.html. During the year under review, the Company has not received any complaint(s) under this policy.

CORPORATE GOVERNANCE

The Company is committed in maintaining the highest standards of Corporate Governance and adheres to the stipulations prescribed under SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. A Report on Corporate Governance & Shareholders Information together with an Auditors' Certificate regarding Compliance of the same are annexed as a part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 has appointed a Chartered Accountant 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.

DEPOSITS

Your company has not accepted any public deposit during the year under review.

CAPITAL STRUCTURE

During the year under review, your Company has neither increased its authorized capital nor issued any shares.

LISTING

The equity shares of your Company continued to be listed on Nationwide Exchange i.e Bombay Stock Exchange Limited and on Regional Stock Exchange, The Calcutta Stock Exchange Ltd.



CORPORATE SOCIAL RESPONSIBILITY:

The provisions contained in the Section 135 of the Companies Act, 2013, as well as the Companies (Corporate Social Responsibility Policy), Rules 2014 are not applicable to your Company for the year under reference.

APPRECIATION

Your Directors record their sincere appreciation for the assistance, support and guidance provided by Company's Customers, Suppliers, 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
Sd/-

Vimal Prakash
Director
DIN: 00174915

Place: Kolkata
Date: 25th August, 2025



ANNEXURES TO DIRECTORS' REPORT

ANNEXURE-I

Information under section 134(3) (m) 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, 2025

A. CONSERVATION OF ENERGY:-

(a) Energy conservation measures taken:

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

- (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 ,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 and 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.NIL Foreign

Exchange Out Go: Rs.NIL

Form-A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A. Power and fuel consumption:

Particulars	2024-2025	2023-2024	2022-2023
1) Electricity			
(a) Purchased Units (KVAH)	139987	17846	165000
Total Amount(Rs)	1611875	1831724	1695189
Rate per unit (in Rs./KVAH)	11.51	10.26	10.27
(b) Own Generation			
Through Diesel Generator (Unit -KVAH)		-	-
Unit per Ltr. of Diesel oil		-	-
Cost/Unit(Rs.)		-	-
Through Steam Turbine Generator		-	-
In Gas Producer			
Quantity (Tonnes)			
Total Cost (RS)		N.A	N.A
Average Rate(Rs/MT)			
3) Furnace Oil & L.D.Oil			
Quantity (KL) Total			
Amount(Rs.) Average Rate			
LSHS Other Internal Generation	N.A	N.A	N.A

B. Consumption per unit of production

Particulars	2024-2025	2023-2024	2022-2023
1) Refractories Produced (MT)	570	750	375
2) Electricity (KVAH/Ton)	245.59	237.95	437.00
3) Furnace oil & L.D Oil (Litres/Ton)		----	----
4) LSHS (Kg/Ton)			
Steam Coal (Gross) Grade B & E (KG/Ton)		----	----
5) 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 within 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

5. Technology absorption, adaption and innovation - N.A.

For and on behalf of the Board

SD/-

VIMAL PRAKASH

DIN: 00174915

Director

Place: Kolkata

Date: 25th -08-2025



ANNEXURE-V 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 behavior 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

1) BOARD OF DIRECTORS:

As on 31st March, 2025 the Board comprised of Six (6) Directors, out of which three are Independent Directors, and three are Non-Executive – Non Independent Directors and the Company has a Manager. The Composition of the Board of Directors is in conformity with the Corporate Governance Regulations. None of the Director is a member of more than ten committees or Chairman of more than five committees, across all the Companies in which he is a Director. None of the independent director is a director of more than seven listed companies. The Board functions as a full Board and through committees. The Board of Directors and Committee meet at regular intervals. Every director of the Company is over twenty one years of age. The Board ensures the desired level of independence in functioning and decision- making. Moreover 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 as on 31st March , 2025, and details of their shareholding in the Company

The Composition of the Board of Directors

The details of composition of the Board, Director's attendance at the Board Meetings and at the last Annual General Meeting, as on 31 March, 2025 are given hereunder:

NAME OF DIRECTOR	CATEGORY	DATE OF JOINING	No of Shares held	ATTENDANCE IN BM	ATTENDANCE IN LAST AGM
Mr. Vimal Prakash	Non- Executive Director	06/05/2006	362500	7	YES
Mr.Niraj Jalan	Non- Executive Director	06/05/2006	640000	6	YES
Mr.Vinay Agarwal	Non- Executive Director	23/07/2020	118622	5	YES
Mr. S. Radhakrishnan	Independent Director	25/11/2014	-	7	YES
Mrs .Bindu Jain	Independent Director	25/03/2015	-	7	YES
Mr.Pradeep Kr Mohapatra	Independent Director	14/02/2018	-	7	YES

None of the Directors of the company holds Directorship in any other Listed Company therefore details for the same has not been furnished.

All the Independent directors of the Company have provided declaration that they qualify the conditions of their being independent. All such declarations were/are placed before the Board.

Board Procedures

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

During the year under review, seven board meetings were held; the dates on which the meetings were held are as follows:

Saturday, May 18, 2024
Thursday, May 30, 2024
Wednesday , August 14,2024
Thursday, September 05, 2024
Thursday, November 14, 2024
Monday, December 09, 2024
Thursday, February 06, 2025

The maximum gap between any two Board Meetings held during the year was not more than one hundred and twenty days.

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

1. Annual Operating Plans and budgets and any update

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 KMPs.
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 judgment 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. 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.

(A) 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Code is aimed at preventing any wrong doing and promoting ethical conduct at the Board and Senior Management level.

The declaration regarding Compliance with the code of conduct as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended to this report.

(B) 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.

(C) Code of Conduct

The Company has adopted a code of conduct for the Board of Directors and the senior management of the Company and all of them has affirmed compliances of the same. The Policy has also been hosted on the website of the Company (www.nilachal.in).

(D) Whistle Blower Policy

The Company has formulated a whistle blower policy with a view to provide a mechanism for employees of the Company to approach the Chairman of Audit Committee. The Identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under the law. The functioning of the policy mechanism is reviewed audit committee on half yearly basis and by board on annual basis.

(E) Composition of Board Committees

Audit Committee	Stakeholders Relationship Committee	Nomination and Remuneration Committee
Mrs. Bindu Jain – Chairperson	Mr. Vimal Prakash – Chairperson	Mr. Pradip Kr. Mohapatra – Chairperson
Mr. Pradip Kr. Mohapatra - Member	Mr. Niraj Jalan – Member	Mrs. Bindu Jain- Member
Mr. Sundaresan Radhekrishnan - Member	Mrs. Bindu Jain- Member	Mr. Sundaresan Radhekrishnan Member

AUDIT COMMITTEE

1. Composition of the Audit Committee:

The Audit Committee as on 31st March, 2025 comprised of the following three directors:

1. Mrs. Bindu Jain - Chairperson
2. Mr. Sundaresan Radhekrishnan - Member
3. Mr. Pradip Kumar Mohapatra - Member

Company Secretary acts as the secretary to the committee. Mr. Sundaresan Radhekrishnan; Mr. Pradip Kumar Mohapatra and Mrs. Bindu Jain are Independent Directors.

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.

b) Meeting of Audit Committee:

During the year under review, the Committee held five meetings. The dates of the meeting are 18/05/2024, 30/05/24, 14/08/2024, 14/11/2024 and 06/02/2025. The maximum gap between two meetings of Audit held during the year was not more than one hundred and twenty days.

S NO.	DT. OF MEETING	SRIBASH CHANDRA MISRA	RAMESH KR. DHANDHANIA	BINDU JAIN	PRADIP KR. MOHAPATRA	SUNARESAN RADHEKRISHNAN
1	18/05/2024	YES	YES	YES	NO	NO
2	30/05/2024	YES	YES	YES	NO	NO
3	14/08/2024	NO	NO	YES	YES	YES
4	14/11/2024	NO	NO	YES	YES	YES
5	06/02/2025	NO	NO	YES	YES	YES

c) Powers of the Audit Committee:

The powers of the Audit Committee include the following:

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

d) Function of Audit Committee:

The role of the Audit committee includes the following:

1. 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.
2. 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 Section 134(5) of the Companies Act, 2013.
 - (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
3. Reviewing, with the management, performance of statutory and internal auditors and adequacy Of the internal control systems.
4. Discussion with internal auditors any significant findings and follow up
5. Reviewing, the findings of any internal investigations by the internal auditors
6. 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.
7. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
5. 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 weakness

Nomination & Remuneration Committee

As per sec 178 of the Companies Act 2013 and regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has set up a Nomination & Remuneration Committee whose roles are:

- i) Formulation of criteria for determining qualification, positive attributes and independence of a director and recommends to the Board a policy relating to the remuneration of directors, key managerial persons and other employees
- ii) Formulation of criteria for evaluation of Independent Director and the Board.
- iii) Identifying persons who are qualified to become directors and who may be appointed in the senior management.
- iv) Devising a policy on Board diversity.
- v) Appointment / Resignation of Directors

The Nomination & Remuneration Committee as on 31st March, 2025 comprised of:

- | | |
|---------------------------------|-------------|
| 1. Mr. Pradip Kumar Mohapatra - | Chairperson |
| 2. Mrs. Bindu Jain - | Member |
| 3. Mr. S Radhekrishnan- | Member |

Company Secretary acts as the secretary to the committee. The Company is in Compliance of the same and the Committee oversees the following:

- a) To oversee the framing, review and implementation of Company's overall compensation structure and related policies on remuneration packages payable to the WTDs/ MD & CEO and other staff including performance linked incentives, perquisites etc. with a view to attracting, motivating and retaining employees and review compensation levels vis-à-vis other companies.

During the year under review the Committee met one time, the date of the meetings being 09/12/2024.

Sl. No.	Name of the Member	Designation	Number of Meetings attended
1	Mr. Pradip Kr. Mohapatra	Chairman	1
2	Mrs. Bindu Jain	Member	1
3	Mr.S Radhakrishnan	Member	1

Evaluation of Performance of the Board, its Committees and Directors

Details with regard to evaluation of performance of the Board, its Committees and Directors have been furnished in the Directors' Report.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee specifically looks into issues such as redressing of shareholders' and

investors' complaints such as transfer of shares, ensuring expeditious redressal.

This Committee comprises of the following Directors.

Mr. Vimal Prakash	- Chairman
Mr. Niraj Jalan	- Member
Mrs. Bindu Jain	- Member

Company Secretary acts as the secretary to the committee

The Stakeholders Relationship Committee reviews and redresses all the grievances periodically and meets as and when required.

During the year under review the Committee met one time, the date of the meetings being 28/12/2024.

Sl.No.	Name of the Member	Designation	Number of Meetings attended
1	Mr. Vimal Prakash	Chairman	1
2	Mr. Niraj Jalan	Member	1
3	Mrs. Bindu Jain	Member	1

The details of the Compliance officer are given below:

Compliance Officer

Mr.Vijay Kumar Gupta
Email: cs@nilachal.in,info@nilachal.in

M/s S K Infosolutions Pvt Ltd, continues as its Share Transfer Agent for both physical and demat segment of equity shares.

The Company obtains half-yearly certificate from a Company Secretary in Practice confirming the issue of certificates for transfer, sub-division, consolidation etc., and submits a copy thereof to the Stock Exchanges in terms of Regulation 40(9) of SEBI (LODR) Regulations, 2015. Further, the Compliance Certificate under Regulation 7(3) of the SEBI (LODR) Regulations, 2015 confirming that all activities in relation to both physical and electronic share transfer facility are maintained by Registrar and Share Transfer Agent registered with the Board is also submitted to the Stock Exchanges on a half yearly basis.

INDEPENDENT DIRECTORS MEETING

During the year under review, separate Meeting of the Independent Directors was held on Friday, 14th March, 2025 without the attendance of Non-Independent Directors and members of the Management, inter alia, to evaluate:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- The quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors attended the Meeting.



SUBSIDIARY COMPANIES

The company does not have any subsidiary/subsidiaries within the meaning of the Companies Act, 2013.

OTHER 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 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 arm's length basis.

The same is annexed in Note No. 30 which is part of financial statements.

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. The policy for dealing with related party transactions has been hosted on the website of the Company. The web link for the same is:

<http://nilachal.in/pdf/head-of-policy/Policy%20on%20related%20Party%20Transactions.pdf>

B. Disclosure of 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.

(B) Management's Discussion and Analysis Report

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

(C) Directors

As per the Companies Act, 2013 at least 2/3rd of the Board should consist of retiring Directors, of these at least 1/3rd are required to retire every year

Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013. Mr. Vinay Agarwal will retire at the ensuing Annual General Meeting and being eligible offers himself for re- appointment.

(D) 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.

The audited annual results are announced within two months from the end of the last quarter as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Both the unaudited as well as the audited financial results of the Company are also hosted on its website i.e. <http://www.nilachal.in>

1. **Special Window:** SEBI vide Circular No. SEBI/ HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 2nd July, 2025, decided to open a special window for a period of six months, from 7th July, 2025 to 6th January, 2026 only for re-lodgement of transfer deeds, which were lodged prior to April 01, 2019 and



rejected/returned/not attended to due to deficiency in the documents/process/ or otherwise. Eligible shareholders are requested to contact the Company's Registrar and Transfer Agent ('RTA') i.e. SK Infosolutions Private Limited at skcdilip@gmail.com, Tel: 033-24120027 or the Company at cs.nilachal.in for further assistance.

(E) 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.

(F) Details of Non-Compliances

The company is regular in complying with statutory rules and regulations and no penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets. However, the stock exchange has imposed a penalty for a late compliance issue specifically related to Regulation 7(1) about appointing a Company Secretary and Compliance Officer.

(G) 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
2021-22	Video Conferencing	Wednesday, 28 th September, 2022	12:30PM
2022-23	Video Conferencing	Saturday, 11 th November, 2023	12:30PM
2023-24	Video Conferencing	Saturday, 28 th September, 2024	12.30 P.M



(I) Special Resolution and Resolution through Postal Ballots

In the 47th AGM of the Company held on 28th September, 2024:

There are no special resolutions and resolutions passed through the postal ballot. In the 46th

AGM of the Company held on 11th November, 2023:

There are no special resolutions and resolutions passed through the postal ballot. In the 45th

AGM of the Company held on 28th September, 2022:

There are no special resolutions and resolutions passed through the postal ballot.

(H) Proceeds from public Issue/Preferential Allotment

During the year under review there was no issue brought out by the Company.

(I) CEO/CFO CERTIFICATION

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate from Mr. Dukhabandhu Prusty, Chief Financial Officer was placed before the Board of Directors.

(J) Compliance with Corporate Governance Norms

The company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(K) Auditors Report on Corporate Governance

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors' certificate is given as an annexure to the Directors Report

1. GENERAL SHAREHOLDERS' INFORMATION:

1	<u>AGM Date Time and Venue</u> 25 th September 2025 At 12:30 P.M via VC/OAVM
2	<u>Book Closure Period:</u> 19 th September 2025 to 25 th September 2025 (both days inclusive)
3	No dividend is recommended by the Board of Directors for the year
4	<u>Financial Calender Tentative:</u> The financial year of the Company is April 1 st to March 31 st . Tentative financial reporting for the financial year 2025-2026 is as under:



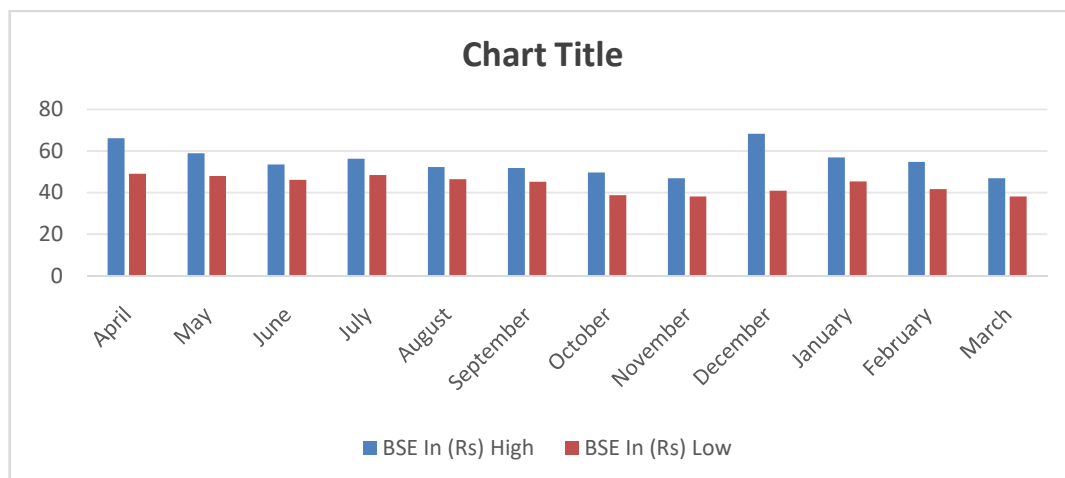
	Result of Quarter ending 30th June, 2025	On or before August 14, 2025
	Result of Quarter ending 30th September, 2025	On or before November 14, 2025
	Result of Quarter ending 31 st December, 2025	On or before February 14, 2026
	Result of Quarter ending 31 st March, 2026	On or before May 30, 2026
	Annual General Meeting for the year, 2026	On or before September 30, 2026.



5	ISIN:- INE416N01013
6	Custodians:-1.Central Depository Services (India) Limited (CDSL) 2.National Securities Depository Limited (NSDL)
7	RTA:- S K Infosolutions Pvt. Ltd. D/42, Katju Nagar Colony, PO & PS- Jadavpur , KOLKATA, West Bengal, India - 700032
8	Registered Office:-PlotNo-P598/599,KedarnathApartment, Mahabir Nagar, Lewis Road , Bhubaneswar-751002,Odisha
9	Works:- Nilachal Refractories Limited, Ipatata Nagar , Dhenkanal 759 025 Odisha
10	Corporate Office:- 30D, J.LNehruRoad,Kolkata-700016,West Bengal
11	Investors/shareholders can correspond with the RTA and directly to the Registered Office/Corporate Office of the company or may e-mail to the Company in this mail id: cs@nilachal.in

STOCK PRICE DATA

Year/Month	BSE		BSE- SENSEX	
	In (Rs)		In (Rs)	
	High	Low	High	Low
2024				
April	66.15	49.01	75,124.28	71,816.46
May	58.97	48.01	76,009.68	71,866.01
June	53.59	46.11	79,671.58	70,234.43
July	56.25	48.50	81,908.43	78,971.79
August	52.29	46.50	82,637.03	78,295.86
September	51.90	45.30	85,978.25	80,895.05
October	49.67	38.80	84,648.40	79,137.98
November	46.90	38.13	80,569.73	76,802.73
December	68.35	40.85	82,317.74	77,560.79
2025				
January	56.99	45.36	80,072.99	75,267.59
February	54.79	41.68	78,735.41	73,141.27
March	46.97	38.20	78,741.69	72,633.54



Distribution of Share holding as at 31st March 2025

(i) According to Category of Holding:

(A)	Promoter Group Shareholders	No. of Shareholders	% of total Number of shareholders	No. of shares held	% of total number of shares
	DIR.RELV.	23	00.50	6072657	29.82
	PROM.COM.	7	00.15	8304865	40.79
	Sub-total(A)	30	00.66	14377522	70.61
(B)	Non- Promoters Shareholders				
(a)	MUT.FUND	0	00.00	0	00.00
(b)	FIN. INST	0	00.00	0	00.00
(c)	Insurance companies	1	00.02	15160	00.07
(d)	NBFCs	0	00.00	0	00.00
(e)	Foreign Portfolio	0	00.00	0	00.00
(f)	Alternative investment funds	0	00.00	0	00.00
(g)	F.I.I.S	0	00.00	0	00.00
(h)	Central Government/ State Government(s)/ President of India	0	00.00	0	00.00
(i)	DOM.COM.	14	00.31	2051	00.01
(j)	FOR.COM.	0	00.00	0	00.00
(k)	RES.IND.	4323	98.82	5966076	29.30
(l)	N.R.I.	9	00.20	641	00.00
(m)	NAL.BANK	0	00.00	0	00.00
	Sub-total(B)	4547	99.34	5983928	29.39
	Total(A)+(B)	4577	100.00	20361450	100.00



ii) According to Number of Shares held: 31-03-2025

Shareholding Range	No. of shareholders	% of Shareholders	No. of shares	% of Shareholding
UPTO 500	4353	95.106	395626	1.94
501-1000	121	2.644	93818	0.46
1001-2000	44	0.961	66169	0.32
2001-3000	9	0.197	22039	0.11
3001-4000	6	0.131	19105	0.09
4001-5000	1	0.022	4450	0.02
5001-10000	3	0.066	21416	0.11
10001-50000	7	0.153	206320	1.01
50001-100000	4	0.087	287500	1.41
100001 and above	29	0.634	19245007	94.52
Total	4577	100.00	20361450	100.00

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 dematerialized form w.e.f. 26th December, 2000 and Company's Registrar & Transfer Agent have established connectivity with NSDL & CDSL.

ANNEXURE-IV 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, Aluminum 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 monolithic viz. Castables, Plastic base dramming mass and gunning materials, etc. The Company is having its vision in line to this technology change.

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.

Further the company is continuously pursuing for some large orders from the consumers in India and overseas and also trying to rope in companies of repute to introduce new product categories for manufacture of its Dhenkanal plant.

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, this 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:

Significant internal audit systems are put in place. The firm of Chartered Accountant is conducting internal audit to ensure that the system are adhered to and controls are not flouted.

5. Discussion on Financial Performance

Your Company is making all round efforts for its revival and the prospects of such efforts should bear fruits in the Financial Year 2025-2026. The management is trying to rope in strategic investor and also intends to diversify into business which can be carried on in alignment with the industry it is operating. The management is also undertaking a plan to carry out optimum utilization of its resources and cost reduction initiatives. The management is further looking at expanding its productlines and enters new markets to increase its business and is hopeful to capture foreign market since there exists demand supply gap for the products the company manufactures. The company has already initiated dialogue with the foreign buyers and there has been very encouraging response from them.

6. Ratios where there has been a significant change from 2023- 24 to 2024-25

The details of the ratio and the reasons for variance is outline below:

	Ratio	Numerator	Denominator	Current Year	Previous Year	Variance	Reason for variance
1	Current ratio	Total current assets	Total current liabilities	0.26	0.28	-5.36	Due to reduction in trade receivable
2	Debt-Equity ratio	Debt consists of borrowings	Total equity	-0.52	-7.29	-92.83	During the Current year company has written off deferred tax asset and incurred operating losses accordingly Total Equity/ net worth of the company eroded. Accordingly debt equity ratio is negative.
3	Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	-5.17	-2.85	81.78	N.A.
4	Return on equity ratio	Profit for the year	Total equity	0.79	1.10	-28.17	During the Current year company has written off deferred tax asset and incurred operating losses accordingly Total Equity/ net worth of the company eroded. Accordingly Variance is high
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	0.22	0.28	-19.80	During the year revenue of the company increased.
6	Trade receivables turnover ratio	Revenue from operations	Trade receivables	12.85	0.74	1,646.03	During the year revenue of the company increased and Trade receivable is decreased.
7	Trade payables turnover ratio	Material Purchase	Trade payables	0.16	0.09	82.85	Purchase during the year was increased
8	Net capital turnover ratio	Revenue from operations	Working capital (i.e. Total current assets less Total current liabilities)	-0.08	-0.10	-24.78	Not Applicable



9	Net profit ratio	Profit for the year	Revenue from operations	-23.29	5.03	- 563.44	During the Current year company has written off deferred tax asset and accordingly loss of the current year was high
10	Return on capital employed	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	-51.10	- 0.02	2,33,633.65	The difference is due to operational losses
11	Return on investment	Income generated from invested funds	Average invested funds in treasury investments	N.A.	N.A.	N.A.	N.A.

For and behalf of the Board of Directors

Vimal Prakash
(Director)
DIN: 00174915

Place: Kolkata
Dated: 25th August, 2025



CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF
NILACHAL REFRACTORIES LIMITED
CIN-L26939OR1977PLC000735
P-598/599, KEDARNATH APARTMENT,
MAHABIR NAGAR LEWIS ROAD,
KHORDHA, BHUBANESWAR,
ORISSA, INDIA, 751002

I have examined the compliance of conditions of Corporate Governance by **NILACHAL REFRACTORIES LIMITED CIN- L26939OR1977PLC000735** for the year ended 31st March, 2025, as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015. and also read with the provisions of the Companies Act, 2013, during the aforesaid period.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

My 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 nor on future viability of the Company or on efficiency or effectiveness with which the management has conducted the affairs of the Company.

Opinion

In my opinion and to the best of my understanding, based on the records, documents, books and other information examined by us, during the aforesaid audit, as furnished by the Company and its officers, I confirm that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 to the extent applicable to the Company, during the aforesaid period under scrutiny.

For RAJAN SINGH & CO
Practising Company Secretaries
Unique Code-S2022WB839700

Place: Konnagar
Date: 25/08/2025
UDIN: F010541G001073680

RAJAN SINGH Digitally signed by RAJAN SINGH
Date: 2025.08.25 13:10:55 +05'30'
CS Rajan Singh
Proprietor
Membership Number-F10541
COP-13599
Peer Review: 2511/2022



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Nilachal Refractories Limited
CIN-L26939OR1977PLC000735
P-598/599, KEDARNATH APARTMENT,
MAHABIR NAGAR LEWIS ROAD,
KHORDHA, BHUBANESWAR,
ORISSA, INDIA, 751002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of NILACHAL REFRACTORIES LIMITED having CIN : L26939OR1977PLC000735 and having registered office at P-598/599, KEDARNATH APARTMENT, MAHABIR NAGAR LEWIS ROAD, Khordha, BHUBANESWAR, Orissa, India, 751002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	PRADIP KUMAR MOHAPATRA	08067067	14/02/2018
2.	BINDU JAIN	07159504	25/03/2015
3.	SUNDARESAN RADHAKRISHNAN	00009818	25/11/2014
4.	VIMAL PRAKASH	00174915	06/05/2006
5.	NIRAJ JALAN	00551970	06/05/2006
6.	VINAY AGARWAL	02341559	23/07/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This Certificate has been issued relying on the documents and information as mentioned herein above and as were made available to us or as came to My knowledge for verification without taking any cognizance of any legal dispute(s) or sub-judice matters which may have effect otherwise, if ordered so, by any concerned authority(ies). This

322, Shastrinagar, Konnagar, PO-Bara Bahera, Dist-Hooghly, PIN-712246, West Bengal
Mobile - 09831262788, e-Mail : csrajansingh2014@gmail.com



certificate is also neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Konnagar
Date: 25/08/2025
UDIN: F010541G001074340
Peer Review: 2511/2022

For RAJAN SINGH & CO
Practising Company Secretaries
Unique Code-S2022WB839700

RAJAN SINGH Digitally signed by RAJAN SINGH
Date: 2025.08.25 14:41:00 +05'30'

CS Rajan Singh
Proprietor
Membership Number-F10541
COP-13599



Form No. MR-3

Secretarial Audit Report

(For the Financial year ended 31st March, 2025)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Nilachal Refractories Limited
P-598/599, Kedarnath Apartment, Mahabir Nagar Lewis Road,
Khordha, Bhubaneswar, Orissa-751002

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Nilachal Refractories Limited (CIN: L26939OR1977PLC000735) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended as on 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended as on 31st March, 2025, to the extent applicable, according to the provisions of:

- a) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') or by SEBI, to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable during the financial year under review

ADDRESS: 4/E, PRAFULLA SARKAR STREET, 2ND FLOOR, KOLKATA-700071
PHONE NUMBER: (91) 8981126828/6290597627
EMAIL ID: CONTACT.C3CONSULTING@GMAIL.COM





- c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and 2018; **Not applicable during the financial year under review**
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not applicable as the Company has not issued any shares to its Employees during the financial year under review;**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993- **Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;**
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable as the Company has not issued any debt securities during the financial year under review;**
- h. The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **Not applicable as the Company has not delisted its equity shares during the financial year under review;**
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable**

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc.

I report that there was a change in Whole Time Key Managerial Personnel i.e., Company Secretary & Compliance Officer wherein Mr. Ashish Kumar Bhalotia who was earlier appointed w.e.f. 22.02.2024 had tendered his resignation w.e.f. 8th August, 2024 and in his place Mr. Sukomal Kanti Guha was appointed w.e.f. 9th December, 2024.

I further report that Mr. Sribash Chandra Mishra (DIN :01983910) and Mr. Ramesh Kumar Dhandhanian (DIN:00375424), have completed their second and final term as Independent Director and consequently ceased to be Director of the Company w.e.f. the close of business hours on 13th September, 2024. Further Mr. Bhagwati Prasad Jalan have shared his resignation from the Board of the Company due to health issues with effect from same date.

I further report that:

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

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- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.
- The Company has duly complied with the requirements of Structured Digital Database under Regulations 3(5) & 3(6) of SEBI (Prohibition of Insider Trading), Regulations, 2015 during the financial year under review.

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

I further report that during the Audit Period, the Company has not undertaken any specific events / actions that can have a bearing on the Company's compliance responsibility in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.

For Twinkle Agarwal
Company Secretary in Practise

Twinkle Agarwal
Membership No. 52868(A)
COP: 25605



UDIN: A052868G001058642
Peer Re ICSI Peer Review No: 6139/2024

Date: 22.08.2025
Place: Kolkata

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

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PHONE NUMBER: (91) 8981126828/6290597627
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Annexure 'A'

To,
The Members,
M/s Nilachal Refractories Limited
P-598/599, Kedarnath Apartment, Mahabir Nagar Lewis Road,
Khordha, Bhubaneswar, Orissa-751002

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on audit;
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion;
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company;
4. Wherever required, I have obtained Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.;
5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards etc. is the responsibility of management. My examination was limited to the verification of procedures on test basis;
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Twinkle Agarwal
Company Secretary in Practise

Twinkle Agarwal

Twinkle Agarwal
Membership No. 52868(A)
COP: 25605



UDIN: A052868G001058642
Peer Re ICSI Peer Review No: 6139/2024

Date: 22.08.2025
Place: Kolkata

ADDRESS: 4/E, PRAFULLA SARKAR STREET, 2ND FLOOR, KOLKATA-700071
PHONE NUMBER: (91) 8981126828/6290597627
EMAIL ID: CONTACT.C3CONSULTING@GMAIL.COM



NILACHAL REFRACTORIES LTD.

CIN: L26939OR1977PLC000735, GSTIN: 21AABCN1241N1ZS

Flat No. 23, 3rd Floor, Block 'D' Chowringhee Munston, 30 J N Road, Kolkata- 700016, INDIA

Tel : 033 4002 9301 / 302 / 400, Fax : 033 2249 9511 / 8256, Email: info@nilachal.in

Affirmation of Compliance with Code of Conduct

To,
The Board of Directors
Nilachal Refractories Limited
Bhubaneswar- 751014, Odisha

Dear Sir(s),

I do hereby certify that all 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 Directors.

Further all Board Members and Core Management Personnel of the Company are adhering Code of Conduct for Prevention of Insider Trading under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 and also in compliance of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015.

This certificate is given in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Dated: 30/05/2025
Place: Kolkata

Vimal Prakash
Director
DIN: 00174915

Date: 30/05/2025

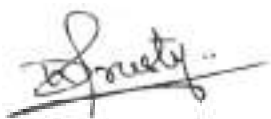
To

The Board of Directors

Nilachal Refractories Limited
P- 598/599, Kedarnath Apartment,
Mahabir Nagar Lewis Road,
Khordha, Bhubaneswar,
Orissa- 751002

I, Dukhabandhu Prusty, S/o Harihar Prusty, R/o- Sairam Lane, Bidanasi, Nuasahi, Cuttack- 753014, Orissa, Chief Financial Officer of the Company, do hereby give certification as per Clause 49(IX) of the Listing agreement that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2025 and that to the best of my 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 together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulation.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2025 which are fraudulent, illegal and volatile of the Company's code of conduct.
- (c) I accept the responsibility for establishing and maintaining internal controls for Financial Reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
- (d) I have indicated to the Auditors and Audit Committee;
 - (i) That there was no significant changed in internal control over financial reporting during the year;
 - (ii) That there was no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) There were no instances of significant fraud of which I have become aware of and the involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting.



Chief Financial Officer

Place: - Dhenkanal



NILACHAL REFRACTORIES LTD.

CIN: L26939OR1977PLC000735, GSTIN: 21AABCN1241N1ZS

Flat No. 23, 3rd Floor, Block 'D' Chowringhee Mansion, 30 J N Road, Kolkata-700016, INDIA
Tel : 033 4002 9301 / 302 / 400, Fax : 033 2249 9511 / 8256, Email: info@nilachal.in

Certification under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Date: 30.05.2025

To,
The Board of Directors
Nilachal Refractories Limited
Bhubaneswar, 751014, Odisha

We, Vimal Prakash, Director, and Dhukhabandhu Prusty, Chief Financial Officer (CFO) of Nilachal Refractories Limited, do hereby certify that:

A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2025 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with Indian 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 ended March 31, 2025 which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal controls for financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

D. We have indicated to the Auditors and Audit Committee that :

1. There has been no Significant changes in internal control over financial reporting during the year
2. There has been no Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
3. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

CFO

Director

Works: Iritata Nagar, Gundichapada, Dhenkanal-759028, Odisha, Email: nrl.dnk@gmail.com
Regd. Office: P-598/599, Kedar Nath Apartment, Mahabir Nagar, Lewis Road, Bhubaneswar-751002 (Odisha)

Independent Auditor's Report**To the Members of****NILACHAL REFRACTORIES LIMITED****Report on the Audit of Financial Statements****Qualified Opinion**

We have audited the financial statements of **NILACHAL REFRACTORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the "Basis for Qualified opinion" paragraph of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. As disclosed in Note 4(b) of the financial statements, the Company after carrying out impairment assessment and sale of certain assets has recognised Capital Work in progress (CWIP) of Rs. 939.27 Lakhs as on 31st March 2025 (Previous Year: Rs. 3147.04 Lakhs). The CWIP assets of the Company had remained without capitalisation for over thirteen years. During the year, the Company carried out an impairment assessment and recognised an impairment loss of Rs. 1933.88 Lakhs (Previous Year: Nil) based on a valuation report from a government approved Valuer (Chartered Engineer). However, the said Chartered Engineer is not registered with the Insolvency and Bankruptcy Board of India (IBBI) as a Registered Valuer for Plant & Machinery Asset Class as required under Section 247 of the Companies Act, 2013 read with Rule 3 of the Companies (Registered Valuers and Valuation) Rules, 2017. Additionally, certain CWIP assets amounting to Rs. 273.88 Lakhs were disposed of during the year. Accordingly, given the prolonged stagnation in capitalisation of the CWIP assets and further sale of certain CWIP assets carried out in the current year, the CWIP assets has not been classified as "Assets Held for Sale" in accordance with Ind AS 105.

In the absence of a valuation performed by a Registered Valuer and appropriate asset classification, we are unable to determine whether the impairment loss recognised is adequate and whether appropriate disclosures have been made in the financial statements.

2. The Company has not obtained an actuarial valuation for its employee benefit obligations, as required under Ind AS 19 – Employee Benefits. Instead, retirement benefits are recognised based on the requirements of the applicable legislation. Additionally, these obligations are unfunded. Due to non-availability of actuarial reports, we are unable to determine and quantify the impact on the loss for the year and the related liabilities.



Branches : Ranchi (Jharkhand) & Guwahati (Assam)

Jain Saraogi & Co. (a Partnership Firm with ICAI Registration No. 305004E) converted into Jain Saraogi & Co LLP
(a Limited Liability Partnership with LLPIN : ACB-1959 & ICAI Registration No. 305004E/E300281) with effect from May 17, 2023

3. The company had issued two kind of redeemable preference shares a) 11% Redeemable Cumulative preference shares of Rs 100/- each fully paid up and b) 0% Redeemable Preference Shares of Rs. 100/-each fully paid up.
- (a) The Company has not redeemed its 11% Redeemable Cumulative Preference Shares, which were due for redemption on or before September 2000. No provision has been made for cumulative dividends amounting to ₹71.73 lakhs up to March 31, 2024, and ₹1.65 lakhs for the year ended March 31, 2025. Consequently, the loss for the year is understated by ₹1.65 lakhs, and the reserves and surplus are overstated by ₹73.38 lakhs.
- (b) In respect of 0% Redeemable Preference Shares, the Company is contractually obligated to pay redemption premium, including ₹282.22 lakhs for the current year and a cumulative unpaid premium of ₹2,383.75 lakhs up to March 31, 2024. The same remains unprovided. Had it been accounted for, the loss for the year would have been higher by ₹282.22 lakhs and reserves and surplus would have been lower by ₹2,665.97 lakhs.

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 31(h) of the Financial Statements, regarding preparation of Financial Statements on Going Concern basis for the reasons stated therein. The Company has incurred a net loss of Rs. 2201.77 lakhs (Previous Year: Rs. 649.66 lakhs) during the year ended March 31, 2025 and as of that date, the Company's current liabilities exceed its current assets by Rs. 1257.07 lakhs (Previous Year: Rs. 1283.02 lakhs). As on 31st March 2025 the company's total liabilities exceed its total assets leading to a negative net worth of Rs. 2793.91 lakhs (Previous Year: Rs. 592.13 Lakhs). The Company continues to incur losses and there is considerable decline in the level of operations.

These events or conditions as set forth herein above, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the financial year ended on March 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the basis for adverse opinion paragraph and Emphasis of Matter paragraph herein above, we have determined the matters described below to be the key audit matters to be communicated in our report.



SL No.	Key Audit Matter	Auditor's Response
1.	Litigation matters	<p>The Company has certain ongoing legal proceedings with the revenue authorities and /or cases arisen during the ordinary course of business of the company.</p> <p>The company's management does not expect these legal proceedings, when concluded will have any material and adverse effect on the financial position of the company.</p> <p>Principal Audit Procedures Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> Assessed the management's position through discussions with the in-house legal expert on both, the probability of success, and the magnitude of any potential loss. Discussed with the management on the development in these litigations during the year ended March 31, 2025. Reviewed the disclosures made by the Company in the financial statements in this regard.
2.	Inventory	<p>The Company has certain slow/ non-moving items of inventory. The Company's management has valued such inventory at cost.</p> <p>Principal Audit Procedures Our audit procedures included and were not limited to the following: We have test checked that such items are being sold at a price higher than the cost value.</p>

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis and Director's Report including Annexures to Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate



internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("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" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. Except for the matters described in the Basis for Qualified Opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above and matter as described in clause (j) (vi) below, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Financial Statements dealt with by this Report are in agreement with the books of account;
 - d. Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
 - e. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion may have adverse effect on the functioning of the Company;
 - f. On the basis of written representations received from the Directors taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2025 from being appointed as a Director in terms of Section 164 (2) of the Act;
 - g. Refer reservation stated in clause (j) (vi) below, relating to maintenance of accounts.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B;
 - i. No managerial remuneration for the year ended March 31, 2025 has been paid/ provided by the Company to its directors and accordingly reporting for the provisions of section 197 read with Schedule V of the Act is not applicable;
 - j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation as at March 31, 2025 on its financial position in its Financial Statements- Refer Note no. 29(a) to the Financial Statements.



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(c), as provided under (a) and (b) above, contain any material misstatement.
- (v) The company has not declared or paid any dividend during the year.
- (vi) Based on our examination, the company, has not used accounting software for maintaining its books of account which had a feature of recording audit trail (edit log) facility during the entire financial year under review. Moreover, the inventory records are recorded in excel software which also does not have the feature of recording audit trail (edit log).

The Audit trail (edit log) has not been preserved as per the statutory requirements of record retention for the immediately preceding financial year i.e., 2023-24.

Place: Kolkata
Date: 30th May, 2025.



For JAIN SARAOGI & CO LLP
Chartered Accountants
FRN: 305004E/E300281

Manoj Keshan
Manoj Keshan
(Partner)

Membership No. 055272
UDIN: 25055272BMJBDW7241

Annexure "A" to Independent Auditors' Report of even date to the members of **NILACHAL REFRATORIES LIMITED**, on the financial statements as of and for the year ended March 31, 2025.

- I. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant & Equipment.
(B) The Company is maintaining proper records showing full particulars of Intangible Assets.
- (b) As informed to us, Property, Plant & Equipment of the company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant & Equipment is reasonable having regard to the size of the company and the nature of its assets.
- (c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the company, however land having carrying value of Rs. 5.77 Lacs in the erstwhile / former name of the company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- II. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in the aggregate for each class of inventory were not noticed on such physical verification
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, from bank on the basis of security of current assets. Accordingly, reporting under of Clause 3(ii)(b) of the Order is not applicable.
- III. The company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the provisions of Clauses 3(iii) (a) to 3(iii)(f) of the Order are not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, the company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the Company.
- V. According to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public in accordance with directives issued by Reserve Bank of India and relevant provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Hence, the reporting under paragraph 3(v) of the Order does not arise.
- VI. To the best of our knowledge and belief, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act. Therefore, the provisions of Clause (vi) of paragraph 3 of the said Order is not applicable to the company.



VII. (a) According to the information and explanations given to us and on the basis of our examinations of the books of account, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Customs, Duty of excise, Value added Tax, Cess and other material statutory dues applicable to it. According to the information and explanations given to us, undisputed amounts payable in respect of TDS amounting to Rs 12.30 Lakhs were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, statutory dues which as referred to in sub-clause (a) above have not been deposited on account of any dispute are as under:

Name of the statute	Nature of Dues	Amount in Lacs	Period to which the amount relates	Forum where dispute is pending	Remarks
Sales Tax	Sales Tax	72.18	1999-2000 to 2001-02	Additional Commissioner of Sales Tax, Central Zone, Cuttack, Orissa (Sales Tax)	
Entry Tax	Entry Tax	33.80	2001-2002	Additional Commissioner of Commercial Taxes, Range - I, Cuttack, Orissa (Entry Tax)	
Entry Tax	Entry Tax	0.79	2002-2003	Commissioner of Commercial Tax, Angul Range, Angul, Orissa (Entry Tax)	
Sales tax	Sales Tax	24.10	2002-2003	Commissioner of Commercial Tax, Angul Range, Angul, Orissa (Entry Tax)	
Goods and service Tax	GST, Interest and penalty	3.50	2019-20	Commissioner (Appeal), Cuttack	

VIII. According to information and explanations given to us, the company has not surrendered or disclosed as any income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable to the company.



- IX. (a) Based on our audit procedures and on the information and explanation given to us, the Company has defaulted in the payment of interest on unsecured loan obtained from a related party body corporate. The period of default and the amount of default is as per table below.

Nature of borrowing, including debt securities	Name of Lender	Amount not paid on due date Amount (Rs. In Lacs)	Whether principal or interest	No. of days delay or unpaid (upto 31 st March 2025)	Remarks if any
Unsecured Loan (Inter corporate Deposit)	Ambarella Cap Private Limited	22.13	Interest	1097	
Unsecured Loan (Inter corporate Deposit)	Ambarella Cap Private Limited	18.00	Interest	732	
Unsecured Loan (Inter corporate Deposit)	Ambarella Cap Private Limited	18.83	Interest	366	
Unsecured Loan (Inter corporate Deposit)	Ambarella Cap Private Limited	20.01	Interest	1	
11% Redeemable cumulative Preference shares	Preference Shareholders	86.71	Principal and Interest	8948	

(b) According to information and explanations given to us, the company is not declared wilful defaulter by any bank or financial institution or other lender.

(c) The Company has not obtained term loans during the financial year and accordingly, the provisions of clause 3(ix)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the funds raised on short term basis have been utilised for long term purposes by Rs. 1243.69 Lacs.

(e) The Company does not have any subsidiaries, associates or joint ventures and accordingly, reporting under clause 3(ix)(e) of the Order is not applicable;

(f) The Company does not have any subsidiaries, associates or joint ventures and accordingly reporting under clause 3(ix)(f) of the Order is not applicable

- X. (a) The company did not raise monies by way of initial public offer or further public offer (including debt instruments) during the year under review.
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.



- XI. (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) There were no reports filed under Section 143(12) of the Act in Form ADT-4 as prescribed under rule 13 of Companies (Audits and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us, the Company has not received any complaint during the year under review.
- XII. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable.
- XIII. According to the information and explanations provided by the management, transactions with related parties are in compliance with the provisions of Sections 177 and 188 of the Companies Act, where applicable and the details have been disclosed in the financial statements as required by the applicable Ind AS.
- XIV. (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditors for the period under audit were considered by us.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable.
- XVI. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) and 3(xvi)(d) of the Order are not applicable.
- XVII. The company has incurred cash losses of Rs. 221.25 Lacs in the financial year under review and Rs. 63.67 Lacs in the immediately preceding financial year.
- XVIII. There has not been any resignation of the statutory auditors during the year, Accordingly, the provisions of Clause 3(xviii) of the Order are not applicable.
- XIX. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.



- XX. There is no liability of the company under the provisions of section 135 the Act to the Company. Hence, reporting under paragraph 3(xx) (a) and (b) of the Order is not applicable.
- XXI. The Company does not have any subsidiaries, associates or joint ventures and accordingly, reporting under clause 3(xxi) of the Order is not applicable.

Place: Kolkata
Date: 30th May, 2025.



For JAIN SARAOGI & CO LLP
Chartered Accountants
FRN: 305004E/E300281

Manoj Keshan

Manoj Keshan
(Partner)

Membership No. 055272
UDIN: 25055272BMJBDW7241

Annexure B" to the Independent Auditor's Report of even date to the members of NILACHAL REFRACTORIES LIMITED on the financial statements for the year ended March 31, 2025.

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

We have audited the internal financial controls with reference to financial statements of **NILACHAL REFRACTORIES LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that



1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, apart from the matter describe in "Basis of qualified opinion" paragraph and matter described in clause (j) (vi) of Report on other Legal and Regulatory Requirements" paragraph of our Independent Auditor's Report; the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Kolkata
Date: 30th May, 2025.



For JAIN SARAOGI & CO LLP
Chartered Accountants
FRN: 305004E/E300281

Manoj Keshan
Manoj Keshan
(Partner)

Membership No. 055272
UDIN: 25055272BMJBDW7241

NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
BALANCE SHEET

Particulars	Note No.	As At 31st March 2025 ₹ in Lakhs	As At 31st March 2024 ₹ in Lakhs
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	4(a)	346.49	378.06
(b) Capital work-in-progress	4(b)	939.27	3,147.04
(c) Right to use Asset	4(c)	189.62	-
(d) Financial Assets			
- Other Financial Assets	5	26.15	25.43
(e) Deferred tax assets (net)		-	-
(f) Other non-current assets	6	0.62	10.60
(2) Current assets			
(a) Inventories	7	412.72	439.12
(b) Financial Assets			
(i) Trade receivables	8	7.35	28.26
(ii) Cash and cash equivalents	9	5.20	2.30
(iii) Bank balances other than (iii) above		-	-
(iv) Other Financial Assets	10	0.50	0.62
(c) Current tax assets (Net)	11	0.12	0.72
(d) Other current assets	12	21.97	21.74
Total Assets		1,919.00	4,053.90
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	2,036.15	2,036.15
(b) Other Equity	14	(4,830.06)	(2,628.28)
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings- Preference Shares	15	2,837.17	2,837.17
(ii) Lease Liabilities	16	145.54	2,982.71
(b) Other non-current liabilities	17	0.75	0.75
(c) Provisions	18	22.21	21.34
(d) Deferred tax Liabilities (net)		2.30	10.98
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	1,459.26	1,477.59
(ii) Lease Liabilities	16	13.38	-
(iii) Trade payables			
(a) Dues of small enterprises and microenterprises		-	-
(b) Dues of creditors other than small enterprises and micro enterprises	20	120.12	191.79
(iv) Other financial liabilities		1,592.74	1,668.78
(b) Other current liabilities	21	112.17	107.02
Total Equity and Liabilities		1,919.00	4,053.90

Material Accounting Policies 1 to 3
See accompanying notes to the Financial Statements 4 to 31

As per our Report of even date


For JAIN SARAOGI & CO LLP
Firm Regn.No. 305004E/E300281
Chartered Accountants


Manoj K. Keshan
(Partner)
Mem. No.: 055272
UDIN: 25055272BMJBOW7241


Place: Kolkata
Date: 30th May 2025



For and on behalf of the Board of Directors


Niraj Jalan
Director
DIN : 00561970


Vimal Prakash
Director
DIN : 00174915


Dukhabandhu Prusty
CFQ


Sukomal Kanti Guha
Company Secretary
M.No. F3590

NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
STATEMENT OF PROFIT AND LOSS

Particulars	Note No.	For the Year Ended 31st March 2025	For the Year Ended 31st March 2024
		₹ in Lakhs	₹ in Lakhs
I Revenue From Operations	22	94.52	129.25
II Other Income	23	11.93	185.68
III Total Income (I+II)		<u>106.45</u>	<u>314.91</u>
IV EXPENSES			
Cost of materials consumed	24	21.36	27.56
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	25	15.60	47.50
Employee benefits expense	26	21.58	20.51
Finance Cost	27	22.39	38.53
Depreciation and amortization expense		54.33	56.48
Other expenses	28	<u>2,181.63</u>	<u>244.48</u>
Total expenses (IV)		<u>2,316.90</u>	<u>435.06</u>
V Profit/(loss) before exceptional items and tax (III- IV)		(2,210.45)	(120.14)
VI Exceptional Items -		-	-
VII Profit/(loss) before tax (V-VI)		(2,210.45)	(120.14)
VIII Tax expense:			
Deferred tax		(8.68)	529.51
IX Profit (Loss) for the period from continuing operations (VII-VIII)		(2,201.77)	(649.65)
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after		-	-
XIII Profit/(loss) for the period (IX+XII)		(2,201.77)	(649.65)
XIV Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(2,201.77)	(649.65)
XVI Earnings per equity share (for continuing operation)			
(i) Basic		(10.81)	(3.19)
(ii) Diluted		(10.81)	(3.19)

Material Accounting Policies 1 to 3
See accompanying notes to the Financial Statements 4 to 31

As per our Report of even date

For JAIN SARAOGI & CO LLP
Firm Regn.No. 305004E/E300281
Chartered Accountants

Manoj K. Keshan
Manoj K. Keshan
(Partner)
Mem. No.: 055272
UDIN: 25055272BJBDW7241

Place: Kolkata
Date : 30th May 2025



For and on behalf of the Board of Directors

Niraj Jalan
Niraj Jalan
Director
DIN : 00551970

Vimal Prakash
Vimal Prakash
Director
DIN : 00174915

Dukhabandhu Prusty
Dukhabandhu Prusty
CFO

Sukomal Kanti Guha
Sukomal Kanti Guha
Company Secretary
M.No. F3590

NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735

Cash Flow Statement for the Year Ended March 31, 2025

	For the year ended on	
	31-Mar-25	31-Mar-24
	₹ in Lakhs	₹ in Lakhs
A. Cash flow from operating activities		
Profit/(loss) before tax	(2,210.45)	(120.15)
Adjusted for :-		
- Depreciation and amortisation expense	54.33	56.48
- Interest income	(1.86)	(1.64)
- Profit on Sales of Fixed Assets	-	(8.23)
- Loss on Sales of Capital Work In Progress	93.88	-
- Impairment Loss	1,933.88	-
- Finance cost	22.39	38.53
Operating profit/(loss) before working capital changes	(107.83)	(35.01)
Adjusted for :		
- (Increase)/Decrease in trade receivables	20.90	294.67
- (Increase)/Decrease in inventories	26.41	56.88
- (Increase)/Decrease in other assets	9.76	11.39
- Increase/(Decrease) in trade payables	(71.07)	(130.40)
- Increase/(Decrease) in other liabilities & Provisions	6.02	(230.29)
Cash generated from operations	(115.80)	(32.75)
Net Income taxes (paid) / refunds	0.61	(0.72)
Net cash from operating activities	(115.19)	(33.48)
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipments including capital advances	(22.46)	(0.04)
Sale of property, plant and equipments	-	8.45
Sales of Capital Work In Progress	180.00	-
Change in other Financial Assets	(0.59)	0.37
Interest received	1.86	1.64
Net cash used in investing activities	158.81	10.41
C. Cash flow from financing activities		
(Repayment)/Proceeds from short-term borrowings	(18.33)	56.00
Interest and finance charges paid	(22.39)	(38.53)
Issue of Preference Shares	-	-
Net cash used in financing activities	(40.72)	17.47
Net (decrease) / increase in cash and cash equivalents	2.90	(5.60)
Cash and cash equivalents as at the beginning of the year	2.30	7.90
Cash and cash equivalents as at the end of the year	5.20	2.30

As per our Report of even date

For and on behalf of the Board of Directors

For JAIN SARAOGI & CO LLP
Firm Regn.No. 305004E/E300281
Chartered Accountants

Manoj K. Keshan
Manoj K. Keshan
(Partner)
Mem. No.: 055272
UDIN: 25055272BMJBDW7241

Place: Kolkata
Date : 30th May 2025



Nishi Jain
Nishi Jain
Director
DIN: 00551970

Dukhabandhu Prusty
Dukhabandhu Prusty
CFO

Vimal Prakash
Vimal Prakash
Director
DIN : 00174915

Sukomal Kanti Guha
Sukomal Kanti Guha
Company Secretary
M.No. F3590

NILACHAL REFRACTORIES LIMITED
CIN : L28339OR1977PLC000735
STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

₹ in Lakhs

Balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting period
2,036.15	-	2,036.15

B. Other Equity

₹ in Lakhs

	Reserves and Surplus				Equity Instruments through Other Comprehensive	Money received against share warrants	Total
	Capital Reserve / Central Subsidy	Securities Premium Reserve	Share Forfeiture Money (38550 Equity Shares)	Retained Earnings			
Balance as at 01.04.2023	15.00	1,350.00	1.20	(3,344.82)	-	-	(1,978.62)
Changes in accounting policy or prior period errors							-
Restated balance at the beginning of the reporting period							-
Transfer From retained earnings			-				-
Total Comprehensive Income for the year							-
Net profit after tax for the year				(549.65)			(549.65)
Dividends				-			-
Dividend Distribution Tax				-			-
Transfer to General Reserve				-			-
Others							-
Balance as at 31.03.2024	15.00	1,350.00	1.20	(3,894.48)	-	-	(2,628.28)

	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve / Central Subsidy	Securities Premium Reserve	Share Forfeiture Money (38550 Equity Shares)	Retained Earnings			
Balance as at 01.04.2024	15.00	1,350.00	1.20	(3,894.48)	-		(2,628.28)
Changes in accounting policy or prior period errors				-			-
Restated balance at the beginning of the reporting period							-
Transfer From retained earnings			-				-
Total Comprehensive Income for the year							-
Net profit after tax for the year				(2,201.77)			(2,201.77)
Dividends				-			-
Dividend Distribution Tax				-			-
Transfer to General Reserve				-			-
Others							-
Balance as at 31.03.2025	15.00	1,350.00	1.20	(6,196.26)	-	-	(4,830.06)

As per our Report of even date

For and on behalf of the Board of Directors

For JAIN SARAOGI & CO LLP
Firm Regn.No. 305004E/E300281
Chartered Accountants

Mahesh K. Kharode
Mahesh K. Kharode
(Partner)
Mem. No.: 055272
UDIN: 25055272BJBDW7241

Place: Kolkata
Date: 30th May 2025



Nishi Jalan
Nishi Jalan
Director
DIN: 00589970

Bukhabandhu Prusty
Bukhabandhu Prusty
CFD

Vimal Prakash
Vimal Prakash
Director
DIN: 00174915

Sukomal Kanti Guha
Sukomal Kanti Guha
Company Secretary
M.No. F3590

NILACHAL REFRACTORIES LIMITED
CIN : L28838OR1977PLC000735

Note to the Financial statements for the year ended 31st March, 2025

Note 1 Company Overview

NILACHAL REFRACTORIES LIMITED (the 'Company') is an Indian Company and its registered office is situated at P-598/599 Lewis Road, Kedarnath Apartment, Mahabir Nagar Bhubaneswar 751002 Odisha. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on the Bombay Stock Exchange (BSE) and Calcutta Stock Exchange Association (CSE) in India. The Company is primarily engaged in the business of Refractories items.

Note 2 Basis of preparation

(i) Compliance with Ind AS

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis and under the historical cost convention except for the following assets and liabilities which have been measured at fair value or revalued amount:

- defined benefit plans — plan assets measured at fair value; and
- certain financial assets and liabilities measured at fair value (Refer accounting policy regarding financial instruments).

(iii) Classification of assets and liabilities

The classification of assets and liabilities into current and non-current, wherever applicable, are based on normal operating cycle of business activities of the Company, which is twelve months.

(iv) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses and disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Underlying estimates are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods. Significant judgement and estimates to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions and contingent liabilities, estimation for employee defined benefits obligations etc.

Significant judgement and estimates to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment and intangible assets, valuation of deferred tax assets, provisions and contingent liabilities, estimation for employee defined benefits obligations etc.

(v) New and amended standards adopted by the Company

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025, MCA has notified amendments to Ind AS 118 – Leases, relating to sale and leaseback transactions, which is not applicable to the Company w.e.f. 1st April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it is not likely to have any significant impact in its financial statements.

Note 3 Material accounting policies

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

(i) Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers either over time or at a point of time at an amount that reflects the consideration the Company expects to be entitled to in exchange for those products or services. Controls defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset. Revenue is measured based on the transaction price, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. At the inception of the contract, the Company identifies the goods or services promised in the contract and assesses which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct. Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms of delivery agreed in the customer contract. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.



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Note to the Financial statements for the year ended 31st March, 2025

(ii) Valuation of Inventories :-

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stores, and traded goods comprises cost of purchases, other directly attributable expenditure, non-refundable taxes and duties; net of any rebates or discounts. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average cost basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(iii) Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under Capital work-in-progress. The cost includes the purchase cost of materials, including import duties and nonrefundable taxes, interest on borrowings used to finance the construction of the asset and any directly attributable costs of bringing an assets ready for their intended use.

(iv) Property Plant & equipments :-

Fixed assets are valued at original cost of acquisition including taxes, duties, freight and other incidental expenses relating to acquisition and installation. Net Changes on foreign exchanges contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

Transition to Ind AS :- On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value using straight line method over the useful lives of assets and in the manner specified in schedule II of the Companies Act, 2013. Pro-rata depreciation is charged on property, plant and equipment from/ up to the date on which such assets are ready to put to use/ are deleted or discarded.

(v) Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

(vi) 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.

(vii) Borrowing Cost :-

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(viii) Lease :-

Certain part of the Factory Land was acquired in 1980 for a term of 90 years lease and the yearly lease rent charged to statement of profit & loss account.



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Note to the Financial statements for the year ended 31st March, 2025

(ix) 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 as applicable.

(x) Intangible Assets :-

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

(xi) 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.

(xii) 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 un-availed leave of the employee at the year end.

(xiii) Income Tax & Deferred Tax :-

Income Tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year as per prevailing tax laws.

Deferred Tax :-

Provision for Tax is made for current and deferred taxes. Current taxes is provided on the taxable income using applicable tax rates and tax laws. Deferred Tax Assets and Liabilities arising on account of timing differential and which are capable of reversal in subsequent periods are recognized using the Tax rates and Tax Laws that have been enacted or substantively enacted till the date of the Balance Sheet. Deferred Tax Assets are not recognized unless there is "Virtual Certainty" that Sufficient future taxable income will be available against which such Deferred Tax Assets will be realized.

(xiv) Impairment of Assets :-

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the profit & loss account in the year in which an asset is identified as impaired.

(xv) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period/year. The weighted average number of equity shares outstanding during the period/year is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) if any.

(xvi) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks/ financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.



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Note to the Financial statements for the year ended 31st March, 2025

(xvii) Income recognition

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(xviii) Financial Liabilities

(a) Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities primarily includes trade and other payables. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within credit period of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(b) Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial liability. Financial liabilities are classified as subsequently measured at amortised cost.

(c) Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Gains and losses are recognised in profit or loss when the liabilities are derecognised.

(d) De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance cost.



Note 4 (a) Property, Plant and Equipments

Description of Assets	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	As at 1st April 2024	Additions during the year	Sales/ Adjustment during the year	As at 31st March 2025	As at 31st March 2024	Adjusted With Retained Earnings	Provided during the year	Deduction/ Sales/ Adjustment/ Transfer	As at 31st March 2025	Net Value of Assets as at 31-Mar-25	Net Value of Assets as at 31-Mar-24
LAND (Freehold)*	18.47	22.46	-	40.93	-	-	-	-	-	40.93	18.47
LAND (Leasehold)**	1.28	-	1.28	-	0.57	-	0.01	-0.59	-	-	0.71
BUILDINGS	206.20	-	-	206.20	102.88	-	3.71	-	105.99	80.29	85.31
PLANT & MACHINERIES	1,538.25	-	-	1,538.25	1,258.83	-	50.30	-	1,309.83	220.32	270.88
FURNITURE & FITTINGS	61.17	-	-	61.17	58.71	-	0.91	-	59.02	2.16	3.06
VEHICLES	37.38	-	-	37.38	35.89	-	-	-	35.89	1.69	1.69
TOTAL	1,856.15	22.46	1.28	1,876.32	1,477.09	-	54.33	-0.58	1,530.84	346.48	378.06
Previous Year	1,858.50	0.64	4.40	1,865.15	1,424.79	-	56.48	4.18	1,477.08	378.06	434.71

* Refer note 5.2

** Transferred to right to use Asset

Note 4 (b) Capital work-in-progress

Description of Assets	GROSS BLOCK			IMPAIRMENT LOSS					NET BLOCK		
	As at 1st April 2024	Additions during the year	Sales/ Adjustment during the year	As at 31st March 2025	As at 31st March 2024	Adjusted With Retained Earnings	Provided during the year	Deduction/ Sales/ Adjustment/ Transfer	As at 31st March 2025	Net Value of Assets as at 31-Mar-25	Net Value of Assets as at 31-Mar-24
Capital Work in Progress	3,147.04	-	273.89	2,873.15	-	-	1,933.89	-	1,933.89	939.27	3,147.04
Grand Total	3,147.04	-	273.89	2,873.15	-	-	1,933.89	-	1,933.89	939.27	3,147.04

Notes : In accordance with the applicable accounting standards, Company have conducted a thorough assessment of Capital Work in progress (CWP) to determine whether any indicators of impairment exists. This evaluation encompasses both internal and external factors that could affect the recoverable amount of CWP. Consequently, to sale of certain items during the year which resulted in a loss of ₹ 93.89 lakhs which were part of CWP the need for review of Impairment testing was identified and forms forming part of CWP were tested for impairment. Consequently, an impairment loss has been recognized in the financial statements for the period ending 31.03.2025 based on the report of a government approved valuer. The impairment loss of ₹ 1,933.89 lakhs has been calculated as the difference between the carrying amount and the amount as determined by the valuer pertaining to CWP and has been charged to Profit and Loss Account. This adjustment ensures that our financial statements accurately reflect the current value of CWP, providing stakeholders with a true and fair view of the company's financial position. Company remains committed to maintaining the integrity of our financial reporting and will continue to monitor all our assets including CWP for any further indications of impairment.

Ageing for capital work-in-progress as at March 31, 2025 :-

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	939.27	939.27
Total	-	-	-	939.27	939.27

Capital work-in-progress	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	939.27	939.27
Total	-	-	-	939.27	939.27

Notes : No Revised cost for Completion of CWP has been determined at present, the same be determined at the time of implementation of the project.

Note 4 (C) Right to use Asset

The Company's leased asset consists of lease for Land having lease term of 90 years. The Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right-of-use asset at an amount equal to lease liability.

Particulars	As on March 31, 2025	As on March 31, 2024
	INR	INR
Opening Gross Block	-	-
Additions/Modification	160	-
Deletion	-	-
Closing Gross Block at the end of the year	160	-
Opening Accumulated Depreciation	-	-
Additions	-	-
Deletion	-	-
Closing Accumulated Depreciation at the end of	-	-
Total	160	-



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NOTES TO ACCOUNTS

Notes No.	5	As At 31.03.2025 ₹ in Lakhs	As At 31.03.2024 ₹ in Lakhs
Other Financial Assets			
Security Deposits		18.48	18.48
Bank deposits with more than 12 months maturity		7.67	6.95
		26.15	25.43
Notes No.	6		
Other Non-Current Assets			
Compensation on Land Acquired (refer note no 6.1)		0.62	0.62
Advance for Land compensation (refer note no 6.2)		-	9.98
		0.62	10.60

Note No 6.1 :- 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 and receivable from Govt. Since the Government had not intimated the acquisition compensation of the land, 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 No. 6.2 :- The company had received a communication from the office of the Collector & District Magistrate, Dhenkanal (Land Acquisition General) No. VIII-12/2024/1855 Dt: 09.02.2024 against the letter no 317/dt.23.08.2022 & L. No 337/dt.03.09.2022 of Tahasildar, Dhenkanal asking the company to pay decretal dues amounting to Rs 19,96,565/- in the Execution case No. 32/1998 filed by Raghav Chandra Sahu & Others Vrs L.A.O., Dhenkanal & others. The said suit was instituted by the claimant for enhanced compensation in the year 1998 and pertains to period before the company was acquired by the present owners from Canara Bank, operating agency under BIFR. Against the said demand an amount of ₹ 9.98 Lacs has been paid and has been accounted for as an advance in the previous year. In the current year an amount of Rs. 12.47 Lacs paid in addition of the above paid amount in previous year and the Land is being Aquired and Added to the Property Plant and Machinery.

Notes No. - 7			
Inventories			
(As taken, valued and certified by the management)			
Stock of Stores and Spare Parts (At Cost)		27.11	27.57
Stock of Packing Material (At Cost)		18.93	20.43
Stock of By Products (At Net Relisable Value)		1.41	1.41
Stock of Raw Material (At Cost)		55.04	63.89
Stock of Finished Goods (At Lower of Cost or Net Realisable Value)		245.46	255.06
Stock of Work in Progress (At Cost)		-	-
Refractories Brick		64.77	70.77
		412.72	439.13



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As At 31.03.2025 As At 31.03.2024
₹ in Lakhs ₹ in Lakhs ₹ in Lakhs ₹ in Lakhs

Notes No. - 8

Trade Receivables

(Unsecured, Considered good)

Outstanding for a period exceeding six months

Less: Provision for doubtful receivables

Less: Provision for Expected credit loss

62.98		112.74	
54.64		84.48	
0.99	7.35	-	28.26
	<u>7.35</u>		<u>28.26</u>

Ageing for trade receivables - current outstanding as at March 31, 2025

Outstanding for following periods from due date of payment						
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than	Total
Undisputed trade receivables -						
Considered good	-	-	7.33	-	1.01	8.34
Considered doubtful						-
Disputed Trade Receivables						
Considered good					54.64	54.64
Considered doubtful	-	-	7.33	-	55.65	62.98
<i>Less: Provision for doubtful receivables</i>					54.64	54.64
<i>Less: Provision for Expected credit loss</i>			0.73		0.25	0.99
	-	-	6.60	-	0.76	7.35

Ageing for trade receivables - current outstanding as at March 31, 2024

Outstanding for following periods from due date of payment						
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than	Total
Undisputed trade receivables -						
Considered good	6.58	1.04	0.21	-	20.43	28.26
Considered doubtful						-
Disputed Trade Receivables						
Considered good					84.48	84.48
Considered doubtful	6.58	1.04	0.21	-	104.92	112.74
<i>Less: Provision for doubtful receivables</i>					84.48	84.48
	6.58	1.04	0.21	-	20.43	28.26

Notes No. - 9

Cash and Cash Equivalents

Cash in hand

Balances with banks

- in current accounts

0.29	0.50
4.91	1.80



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NOTES TO ACCOUNTS

	As At 31.03.2025		As At 31.03.2024	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Notes No. - 10				
Other Financial Assets				
Advances Recoverable in Cash or in Kind	-		-	
Accrued interest on term deposits	0.50		0.62	
	<u>0.50</u>		<u>0.62</u>	
Notes No. - 11				
Current Tax Assets (Net)				
Tax Deducted/ Collected at Sources	0.12		0.72	
	<u>0.12</u>		<u>0.72</u>	
Notes No. - 12				
Other current assets				
Balance with statutory / government authorities				
(i) Sales Tax Recoverable	17.13		17.13	
(ii) Income Tax Refundable	1.46		1.66	
(iii) Advance Payment of Income Tax	1.00		1.00	
(iv) GST Appeal Deposit	0.19	19.78	-	19.59
	<u>1.73</u>		<u>1.82</u>	
Advances Recoverable in Cash or in Kind	0.46	2.19	0.34	2.16
Loans and advances to employees	<u>0.46</u>	<u>2.19</u>	<u>0.34</u>	<u>2.16</u>
		<u>21.97</u>		<u>21.74</u>

Notes :-

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.



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Notes No. 13

SHARE CAPITAL

	As At 31-03-2025		As At 31-03-2024	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
(a) Capital Structure				
Authorised				
Equity Shares of Rs.10/- each	20400000	2,040.00	20400000	2,040.00
Issued				
Equity Shares of Rs.10/- each	20400000	2,040.00	20400000	2,040.00
Subscribed & Paid up				
Equity Shares of Rs.10/- each fully paid up	20361450	2,036.15	20361450	2,036.15
(b) Share Capital Reconciliation				
Equity Shares				
At the beginning of the period	20361450	2,036.15	20361450	2,036.15
Issued during the period	-	-	-	-
Outstanding at the end of the period	20361450	2,036.15	20361450	2,036.15

- (c) 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.

- (d) Forfeited Shares**
- | | | |
|---------------------|------|------|
| 38550 Equity Shares | 1.20 | 1.20 |
|---------------------|------|------|

- (e) Details of shares held by shareholders holding more than 5% of the aggregate Equity shares in the Company**

Shareholder's Name	As on 31.03.2025		As on 31.03.2024	
	Nos.	% of Holding	Nos.	% of Holding
Ambrarella Cap Fin Private Limited	22,50,000	11.05%	22,50,000	11.05%
Season Trading & Investment Pvt.Ltd	15,00,000	7.37%	15,00,000	7.37%
Sushil Kumar Agarwal	23,58,000	11.58%	23,58,000	11.58%
Vijay Kumar Agarwal	12,15,030	5.97%	12,15,030	5.97%
Minicraft Enterprise Pvt Ltd	28,11,986	13.81%	28,11,986	13.81%



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NOTES TO ACCOUNTS

Notes No. 13 contd..

(f) Disclosure of Shareholding of Promoters :

Details of Shares held by Promoters	As at 31st March 2025			As at 31st March 2024		
	Number of Shares	% of Total Shares	% Change during the year	Number of Shares	% of Total Shares	% Change during the year
Genpati Industrial Pvt Ltd	500000	2.46%	-	500000	2.46%	-
Alak Prakash	62500	0.31%	-	62500	0.31%	-
Bhagwati Prasad Jalan And Sons Huf	75000	0.37%	-	75000	0.37%	-
Kamal Prakash	362500	1.78%	-	362500	1.78%	-
Niraj Jalan And Others Huf	50000	0.25%	-	50000	0.25%	-
Bela Jalan	150000	0.74%	-	150000	0.74%	-
Pankaj Jalan And Others Huf	75000	0.37%	-	75000	0.37%	-
Anubhuti Prakash	319250	1.57%	-	319250	1.57%	-
Bhagwati Prasad Jalan	550584	2.70%	-	550584	2.70%	-
Aditi Jalan	240000	1.18%	-	240000	1.18%	-
Nidhi Jalan	165000	0.81%	-	165000	0.81%	-
Pankaj Jalan	367000	1.80%	-	367000	1.80%	-
Piyush Jalan	665000	3.27%	-	665000	3.27%	-
Raj Rani Agarwal	681823	3.35%	-	681823	3.35%	-
Bela Jalan	165000	0.81%	-	165000	0.81%	-
Niraj Jalan	640000	3.14%	-	640000	3.14%	-
Parwati Devi Jalan	140000	0.69%	-	140000	0.69%	-
Anupama Prakash	19250	0.09%	-	19250	0.09%	-
Madhu Agarwal	319250	1.57%	-	319250	1.57%	-
Ishika Jalan	44000	0.22%	-	44000	0.22%	-
Aarav Jalan	44000	0.22%	-	44000	0.22%	-
D P Jalan & Other Huf	75000	0.37%	-	75000	0.37%	-
Vimal Prakash	362500	1.78%	-	362500	1.78%	-
Pushpak Dealcom Private Limited	300000	1.47%	-	300000	1.47%	-
Seasons Trading And Investments Private Ltd	1500000	7.37%	-	1500000	7.37%	-
Likewise Investment And Marketing Pvt Ltd	275000	1.35%	-	275000	1.35%	-
Jekay International Track Pvt. Ltd.	500000	2.46%	-	500000	2.46%	-
Ambarella Cap Fin Private Limited	2250000	11.05%	-	2250000	11.05%	-
Minicraft Enterprise Pvt Ltd	2811986	13.81%	-	2811986	13.81%	-
P P Suppliers And Agencies Private Limited	667879	3.28%	-	667879	3.28%	-



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NOTES TO ACCOUNTS

Note No. 14 - Other Equity

₹ in Lakhs

	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve / Central Subsidy	Securities Premium Reserve	Share Forfeiture Money (38550 Equity Shares)	Retained Earnings			
Balance as at 01.04.2023	15.00	1,350.00	1.20	(3,344.82)	-	-	(1,978.62)
Changes in accounting policy or prior period errors							-
Restated balance at the beginning of the reporting period							-
Transfer From retained earnings			-				-
Total Comprehensive Income for the year							-
Net profit after tax for the year				(649.66)			(649.66)
Dividends				-			-
Dividend Distribution Tax				-			-
Transfer to General Reserve				-			-
Others				-			-
Balance as at 31.03.2024	15.00	1,350.00	1.20	(3,994.48)	-	-	(2,628.28)

	Reserves and Surplus				Equity Instruments through Other Comprehensive Income	Money received against share warrants	Total
	Capital Reserve / Central Subsidy	Securities Premium Reserve	Share Forfeiture Money (38550 Equity Shares)	Retained Earnings			
Balance as at 01.04.2024	15.00	1,350.00	1.20	(3,994.48)	-		(2,628.28)
Changes in accounting policy or prior period errors				-			-
Restated balance at the beginning of the reporting period							-
Transfer From retained earnings			-				-
Total Comprehensive Income for the year							-
Net profit after tax for the year				(2,201.77)			(2,201.77)
Dividends				-			-
Dividend Distribution Tax				-			-
Transfer to General Reserve				-			-
Others				-			-
Balance as at 31.03.2025	15.00	1,350.00	1.20	(6,196.26)	-	-	(4,830.06)



NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
NOTES TO ACCOUNTS

Notes No. 15

Ors Fin. Liabilities (Preference Shares)

Redeemable Cumulative Preference Shares

11% Redeemable Cumulative Preference Shares
Rs. 100/- each fully paid up

14,980

14.98

14,980

14.98

0% Redeemable Preference Shares of Rs. 100/-
each fully paid up

28,22,191

2,822.19

28,22,191

2,822.19

2,837.17

2,837.17

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

Issue of Shares :- 9,00,000 0% Redemmmable Preference Share of Rs. 100/- at par has been issued and allotted by the Company by conversion of unsecured Loans during the financial year ended on 31st March 2017. The Preference Shares shall from the date of allotment rank pari-passu in all respects with all other preference shares of similar category in the Company then on issue. The Preference shares shall be redeemed before the expiry of 20 years when the company has distributable profits and upon mutual consent of the allottees and company with an option to redeem at the sole discretion of the company at any time after the expiry of thirty six month from the date of the allotment, at par or at a premium out of the distributable profits of the company.



NILACHAL REFRACTORIES LIMITED

CIN : L26939OR1977PLC000735

NOTES TO ACCOUNTS

	As At 31.03.2025		As At 31.03.2024	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Notes No. 16				
Lease Liabilities				
Present value of all lease rent payable		158.92		-
Current Lease Liability		13.38		-
Non-Current Lease Liabilities		145.54		-
Notes No. 17				
Other non-current liabilities				
Trade / Security Deposits		0.75		0.75
Notes No. 18				
Provisions				
Provision on Leave encashment & Gratuity Payable		22.21		21.34
Notes No. 19				
Short Term Borrowings				
Unsecured Loans				
Loan Repayable on Demand		1,459.26		1,477.59
Notes No. 20				
Trade payables				
Trade payables :-				
Dues of small enterprises and microenterprises				
Dues of creditors other than small enterprises and micro enterprises		120.12		191.19

Ageing for trade payable – current outstanding as at March 31, 2025

	Outstanding for following periods from due date of payment				Total
	Less than - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables					
MSME*	-	-	-	-	-
Others	67.37	0.45	0.93	42.17	110.92
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	9.20	9.20
	67.37	0.45	0.93	51.37	120.12

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for trade payable – current outstanding as at March 31, 2024

	Outstanding for following periods from due date of payment				Total
	Less than - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Trade payables					
MSME*	-	-	-	-	-
Others	45.80	20.16	40.82	75.21	181.99
Disputed dues - MSME*	-	-	-	-	-
Disputed dues - Others	-	-	-	9.20	9.20
	45.80	20.16	40.82	84.41	191.19

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

Notes No. 21				
Other current Liabilities				
Statutory remittances		16.15		16.48
Advance Income		0.38		1.28
Advance against Sales		18.00		18.00
Advance from customers		77.64	112.17	71.26
				107.02



NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
NOTES TO ACCOUNTS

	For the year ended 31.03.2025		For the year ended 31.03.2024	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Notes 22				
Revenue from operations				
Sale of Products				
Refractory Bricks	92.40		123.46	
Castables & Monolithic	-	92.40	-	123.46
Others		2.12		4.65
Raw Materials		94.52		128.10
Other Operating Revenue				
Sales of Scrap		-		1.15
		94.52		129.25
Notes 23				
Other Income				
Interest Income				
Interest	1.86		1.64	
Interest on IT Refunds	0.03	1.89	-	1.64
Other Non Operative Income				
Liabilities No Required Written Back	9.14		155.35	
Foreign Exchange Fluctuation	-		11.29	
Misc. Income - Others	0.90		3.14	
Profit on Sales of Property, Plant and Equipment	-		8.23	
Rent Received	-		6.00	
Discount Received	-	10.04	0.02	184.03
		11.93		185.66
Notes 24				
Cost of Material Consumed				
Opening Stock	63.89		73.17	
Purchases	14.18		21.84	
	78.07		95.01	
Less: Cost of Material Sold	1.67	76.40	3.56	91.45
Closing Stock		55.04		63.89
Cost of Material Consumed		21.36		27.56
Notes 25				
Changes in inventories of finished goods, work-in-progress and stock-in-trade inventories at the end of the year:-				
Finished goods	245.46		255.06	
Work-in-progress	64.77		70.77	
By-Products	1.41	311.64	1.41	327.24
Inventories at the Beginning of the year:-				
Finished goods	255.06		299.70	
Work-in-progress	70.77		73.63	
By-Products	1.41	327.24	1.41	374.74
		15.60		47.50
Notes 26				
Employee Benefits Expenses				
Salaries, Wages and other allowances		19.59		17.31
Contribution to provident and other funds		0.75		0.74
Staff welfare expenses		0.11		0.25
Gratuity & Leave Expenses		1.13		2.21
		21.58		20.51
Notes 27				
Finance Cost				
Interest on Borrowings		22.24		38.53
Other Interest		0.15		
		22.39		38.53



NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
NOTES TO ACCOUNTS

	For the year ended 31.03.2025		For the year ended 31.03.2024	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Notes 28				
Other Expenses				
Cost of Material Sold		1.67		3.56
Consumptions of Packing Materials		4.55		5.51
Consumptions of Stores & Spares		2.08		0.47
Electricity and Power		15.31		18.93
Manufacturing Expenses		6.22		6.99
Repairs & Maintenance :				
To Plant & Machinery	0.92		0.78	
To Building	-		-	
To Others	11.64	12.56	7.62	8.40
Carriage outward		10.59		13.89
Advertisement & Publicity		0.59		-
Rent		18.34		10.52
Bank Charges		0.06		0.38
Rates & Taxes		0.21		0.33
Telephone Charges		0.44		0.34
Insurance charges		0.98		0.65
Computer Expenses		0.08		0.03
Printing & Stationery		0.19		0.17
Filing Fees		0.48		0.25
Postage & Courier Charges		0.07		0.05
Professional & Consultancy Charges		9.01		10.99
Conveyance, Tour & Travels		4.99		2.75
Prior Period Expenses/ Adjustments		0.70		-
Provision for bad and doubtful debt		-		44.61
Payment to auditors (Refer note 28.1 below)		2.75		2.75
General Expenses		0.13		0.58
Listing Fees		3.99		4.64
Subscription Fees & Expenses		1.02		0.84
Watch & Ward		32.94		31.02
Office Maintenance		1.01		0.69
Sundry Balances Written off and Baddebt		19.62		73.71
Miscellaneous Expenses		2.31		1.43
Loss on sale of Capital work in progress		93.88		-
Expected Credit Loss		0.99		-
Impairment Loss on Revaluation of CWIP		1,933.88		-
		<u>2,181.63</u>		<u>244.48</u>
Notes :- 28.1				
Payment to Auditors Comprise				
As Auditors - Statutory Audit		2.00		2.00
As Auditors - Limited Review		0.75		0.50
For Tax Audit		-		0.25
		<u>2.75</u>		<u>2.75</u>



NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
NOTES TO ACCOUNTS

Notes No. - 29

As At 31.03.2025
₹ in Lakhs

As At 31.03.2024
₹ in Lakhs

(a) Contingent Liabilities		
Sales Tax	96.28	96.28
Water Charges	7.14	7.14
Water Charges (refer note)	90.22	90.22
Suit Pending against the Company	9.94	9.94
Orissa Entry Tax	4.17	4.17
GST Appeal	3.50	-

NOTE :-The company has filed a writ petition before honorable high court of Odisha on 14-07-2023 against the demand raised by the office of the executive engineer, Rengali Right Canal Division No. II Dhenkanal as water consumption charges and the amount outstanding as on 31st March'25 is Rs. 721.11 Lacs (previous year Rs. 568.62 Lacs)

As the matter is subjudice the adjustment if any, would be done on resolution of the same, further the management believes that the demand as raised by the department will not withstand the legal scrutiny and the matter will be decided in company's favour.

(b) Commitments		
Estimated amount of contract remaining to be executed on Capital account and not provided for Tangible assets	-	-

(c) Details of unhedged foreign currency Exposures	Receivable/ (Payable) ₹ in Lakhs	Receivable/ (Payable) \$	Receivable/ (Payable) ₹ in Lakhs	Receivable/ (Payable) \$
Payable in foreign exchange	-	-	-	-
Receivable in foreign exchange	-	-	-	-

(d) Earnings in foreign currency :		
Export of finished goods calculated on FOB basis	-	-

(e) Value of imports calculated on CIF basis :		
Raw materials	-	-

(f) Expenditure in foreign currency :		
Royalty	-	-
Professional and consultation fees	-	-
Interest	-	-
Other matters	-	-

(g) Details of consumption of imported and indigenous items		For the year ended on 31.03.2024		For the year ended on 31.03.2023
	%	₹ in Lakhs	%	₹ in Lakhs
Imported				
Raw materials	0.00%	-	0.00%	-
Components	0.00%	-	0.00%	-
Spare parts	0.00%	-	0.00%	-
		-		-
Indigenous				
Raw materials	100.00%	21.36	100.00%	27.56
Components		-		-
Spare parts		-		-
		21.36		27.56

(h) Earnings per share :		For the year ended on 31.03.2024		For the year ended on 31.03.2024
---------------------------------	--	--	--	--

(a) Continuing operations			
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(2,201.77)	(649.66)	
Weighted average number of equity shares	2,03,61,450	2,03,61,450	
Par value per share (in Rs.)	10	10	
Earnings per share from continuing operations - Basic (in Rs.)	(10.81)	(3.19)	
Earnings per share from continuing operations - Diluted (in Rs.)	(10.81)	(3.19)	

(b) Total operations			
Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(2,201.77)	(649.66)	
Weighted average number of equity shares	2,03,61,450	2,03,61,450	
Par value per share (in Rs.)	10	10	
Earnings per share from continuing operations - Basic (in Rs.)	(10.81)	(3.19)	
Earnings per share from continuing operations - Diluted (in Rs.)	(10.81)	(3.19)	



NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
NOTES TO ACCOUNTS

Notes No. - 38

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	: N.A.
Associates	: N.A.
Key Management Personnel (KMP)	: Mr. Vimal Prakash, Mr. Sanjib Singh, Mr. Bikash Ranjan Nayak, Mr. Krishna Chandra Pusti, Mr. Dukhabandhu Pusti, Mr. Ashish Kumar Bhalotia
Close member of KMP	: Raj Rani Agarwal
Company/Entities in which KMP / Close member of KMP can exercise significant influence	: Uniseven Engineering & Infrastructure Private Limited, Minicraft Enterprise Pvt Ltd, Think Finance Private Limited, Ambarella Cap Fin Private Limited, P P Suppliers & Agencies Pvt Ltd, Jekay International Track Pvt. Ltd, NRL Clayburn Ltd, Alfran NRL Private Limited, Industrial Associates, Kamal Prakash (HUF), Vimal Prakash (HUF)

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended on 31st March, 2025 and balances outstanding as at 31st March, 2025

₹ in Lakhs

Particulars	Relatives of KMP		KMP		Entities in which KMP / relatives of KMP have significant influence	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Sales						
Industrial Associates					-	7.17
NRL Clayburn Ltd					95.59	92.62
Rent Received						
Alfran NRL Private Limited					-	6.00
Remuneration						
Sukomal Kanti Guha			0.94	-		
Sanjib Singh			-	1.31		
Bikash Ranjan Nayak			-	1.88		
Krishna Chandra Pusti			5.03	4.68		
Dukhabandhu Pusti			3.00	0.43		
Ashish Kumar Bhalotia			1.77	0.50		
Interest Paid						
Ambarella Cap Fin Private Limited					22.39	38.53
Loan Taken						
Ambarella Cap Fin Private Limited					28.59	12.50
P P Suppliers & Agencies (P) Ltd					99.65	9.50
Loan Repaid						
Ambarella Cap Fin Private Limited					61.49	-
P P Suppliers & Agencies (P) Ltd					125.50	-
Outstanding Balance (Loan)						
Ambarella Cap Fin Private Limited					382.69	375.19
P P Suppliers & Agencies (P) Ltd					271.38	297.23
Think Finance Pvt. Ltd.					303.17	303.17
Outstanding Balance (Dr)						
Alfran NRL Private Limited					6.69	7.19
Industrial Associates					0.10	0.10
Outstanding Balance (Cr)						
NRL Clayburn Private Limited					77.81	70.24



NILACHAL REFRACTORIES LIMITED
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NOTES TO ACCOUNTS

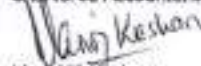
Notes No. - 31

- (a) 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.
- (b) Confirmation of Parties concerned for amount due, receivable from and/or payable to them as per the accounts of the company were not received. Necessary adjustment, if any, shall be done at the time of settlement of respective account.
- (c) 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.
- (d) 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, 2025. 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.
- (e) In view of unabsorbed losses and unabsorbed depreciation brought forward, there being no tax liability, hence no provision for current Income Tax have been made during the year.
- (f) 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.
- (g) Figures for the previous period are re-classified/ re-arranged /re-grouped, wherever necessary to correspond with the current year classification disclosure.
- (h) The Company has incurred a net loss of Rs. 2201.77 lakhs (Previous Year: Rs. 649.66 lakhs) during the year ended March 31, 2025 and as of that date, the Company's current liabilities exceeds its current assets by Rs. 1257.57 lakhs (Previous Year: Rs. 1283.02 lakhs). As on 31st March 2025 the company's total liabilities exceeds its total assets leading to a negative net worth of Rs. 2793.91 lakhs (Previous Year: Rs. 592.13 Lacs). However, the management is trying to rope in strategic investor and also intends to diversify into business which can be carried on in alignment with the industry it is operating. The management is also undertaking a plan to carry out optimum utilisation of its resources and cost reduction initiatives. The management is further looking at expanding its product lines and enter new markets to increase its business and is hopeful to capture foreign market since there exists a demand supply gap for the products the company manufactures. The company has already initiated dialogue with the foreign buyers and there has been very encouraging response from them.

In view of the above the management firmly believes that the company continues to be a going concern and accordingly financial statements have been prepared on a going concern basis.

As per our Report of even date

For JAIN SARAOGI & CO LLP
Firm Regn.No. 305004E/E300281
Chartered Accountants

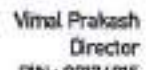

Manoj K. Keshan
(Partner)
Mem. No.: 055272

Place: Kolkata
Date: 30th May 2025



For and on behalf of the Board of Directors


Niraj Jalan
Director
DIN: 00551970


Vimal Prakash
Director
DIN: 00174915


Dukhabandhu Prusty
CFO


Sukomal Kanti Guha
Company Secretary
M.No. F3590

NILACHAL REFRACTORIES LIMITED
CIN : L26939OR1977PLC000735
NOTES TO ACCOUNTS

Notes No. - 31. Contd..

(i) **Additional Regulatory Informations :**

- (i) **Title Deed of Immoveable Property not held in name of the Company**
Title Deed of Immoveable Property is in name of the Company. However land having carrying value of Rs. 5.77 Lacs in the erstwhile / former name of the company.
- (ii) **Disclosure on Revaluation of Assets:**
None of the Assets of the Company has been revalued during the year
- (iii) **Loans/ Advance to Directors/ KMP/ Related parties**
The Company has not granted any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013.) with any other person, either severally or jointly that are (a) repayable on demand or (b) without specifying any terms or period of repayment
- (iv) **Intangible assets under development**
The Company does not have any intangible assets under developments.
- (v) **Details of Benami Property held:**
The Company does not have any Benami Property and No any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder,
- (vi) **Working Capital/Borrowings:**
The company does not have any borrowings from banks or financial institutions on the basis of security of current assets.
- (viii) **Willful Defaulter & End use of Funds**
The company is not declared willful defaulter by any bank or financial institution or other lender as at the date of the Financial statement and as on date of approval of these financial statements.
- (ix) **Borrowings from banks and Financial Institutions**
Disclosure on utilization of borrowings : The company does not have any borrowings from banks, Loans obtained from Financial Institution have been utilised for the purpose it Was taken.
- (x) **Relationship with Struck off Companies:**
The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (xi) **Registration of charges or satisfaction with Registrar of Companies**
There is no charges or satisfaction against the company, yet to be registered with Registrar of Companies beyond the statutory period.
- (xii) **Compliance with number of layers of companies**
The Company does not have any investment in downstream companies for which it has to comply with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (xiii) **Utilization of Borrowed funds and share premium**
(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



Notes No. - 31. Contd.

- (xiv) **Compliance with approved Scheme(s) of Arrangements**
No any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, hence no disclosure require to be given.
- (xv) **Undisclosed Income**
The Company does not have any undisclosed Income which was not recorded in the books of accounts and (a) that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (b) unless there is immunity for disclosure under any scheme and (c) also shall state whether the previously unrecorded income and related assets have been properly recorded in the books of account during the year.
- (xvi) **Crypto Currency or Virtual Currency**
The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (xvii) **CSR Activities**
The company is not required to comply with the provision of section 135 of the Companies Act 2013
- (xviii) **Ratios**

	Ratio	Numerator	Denominator	Current Year	Previous	Variance	Reason for variance
1	Current ratio	Total current assets	Total current liabilities	0.26	0.28	-5.36	N.A.
2	Debt-Equity ratio	Debt consists of borrowings	Total equity	-1.59	-7.29	-78.12	During the Current year company has recognised lease liability and incurred losses due to impairment provision accordingly Total Equity/ net worth of the company eroded. Accordingly debt equity ratio is impacted.
3	Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	-2.60	-2.85	-8.53	N.A.
4	Return on equity ratio	Profit for the year	Total equity	0.79	1.10	-28.17	During the Current year company has provided impairment loss and incurred loss on sale of CWP accordingly Total Equity/ net worth of the company eroded. Accordingly Variance is high.
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	0.22	0.28	-19.72	
6	Trade receivables turnover ratio	Revenue from operations	Average Trade receivables	1.33	0.74	80.29	Due to reduction in sale and trade receivable
7	Trade payables	Material Purchase	Average Trade payables	0.03	0.09	-64.72	Due to reduction in purchase and trade payable
8	Net capital turnover ratio	Revenue from operations	Average Working capital (i.e. Total current assets less Total current liabilities)	-0.02	-0.10	-62.05	reduction in revenue from operati
9	Net profit ratio	Profit for the year	Revenue from operations	-23.29	-5.00	363.64	During the Current year company has provided impairment loss and incurred loss on sale of CWP accordingly profit for year is low
10	Return on capital employed	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	-1.32	-0.02	5,907.10	During the Current year company has provided impairment loss and incurred loss on sale of CWP accordingly profit for year is low
11	Return on Investment	Income generated from invested funds	Average invested funds in treasury investments	N.A.	N.A.	N.A.	N.A.

