

COMMITTED TO CLEAN METAL



IFGL Refractories Limited

(Formerly IFGL EXPORTS LIMITED)

ANNUAL REPORT 2016 - 2017



Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This Report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion on future performance.

We can not guarantee that these forward-looking statements will be realized, although we believe, we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

Board of Directors D K Banerji K Dalmia (ceased w.e.f 12.11.2016) Y Kawatsu (w.e.f 11.05.2017) S Khasnobis Prof S Munshi H Okumura (ceased w.e.f 06.05.2017) D G Rajan Prof Bharati Ray Prof A N Sadhu (ceased w.e.f 30.01.2017) K S B Sanyal Chairman S K Bajoria Managing Director P Bajoria Director & Chief Executive Officer and Chief Financial Officer K Sarda Company Secretary R Agarwal Auditors Deloitte Haskins & Sells Grant Thornton UK LLP Crowe Horwath LLP Internal Auditor Rupa & Co. Cost Auditor Mani & Co. Secretarial Auditor S M Gupta & Co.	Principal Bankers State Bank of India DBS Bank Limited Fifth Third Bank Export Import Bank of India Registered Office McLeod House, 3, Netaji Subhas Road Kolkata 700 001 Tel : +91 33 40106100 Fax : +91 33 22430886 E-mail : ifgl.ho@ifgl.in Website : www.ifglref.com Kalunga Works Sectors 'A' & 'B', Kalunga Industrial Estate P.O. : Kalunga 770 031 Dist. : Sundergarh, Odisha Tel : +91 661 2660195 Fax : +91 661 2660173 E-mail : ifgl.works@ifgl.in, investorcomplaints@ifgl.in Kandla SEZ Works Plot Nos. 638-644, Kandla Special Economic Zone, P.O. : Gandhidham Dist. : Kutch, Gujarat 370 230 Tel/Fax : +91 2836 253900 E-mail : ifglexports@ifgl.in Overseas Branch RAS Al Khaimah FTZ, UAE
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Directors' Report and Management Discussion and Analysis Report to the Shareholders

Dear Shareholders

Your Directors present the 10th Annual Report together with Statement of Profit & Loss for Financial Year (FY) ended on 31st March 2017 (FY 2016-2017) and Balance Sheet as on that date along with Notes, Cash Flow Statement and Auditors' Report forming part thereof.

Financial Results and Merger of IFGL Refractories Limited (IFGL)

Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble Tribunal) by passing an Order on 3rd August 2017 sanctioned a Scheme for Amalgamation of IFGL with your Company on and from 1st April 2016. Accordingly, aforesaid Statements, highlights of the Financial Results given below, audited by Statutory Auditors, M/s Deloitte Haskins & Sells include results of operation of IFGL for FY 2016-2017 and thus not comparable with Audited Statements relating to preceding FY 2015-2016.

(₹ in Millions)

	Consolidated	Standalone
Total Revenue	7,682.66	3,756.58
Total Expenses	6,707.56	3,232.37
EBIDTA	975.10	524.21
Finance Costs	45.27	39.35
Depreciation and Amortisation Expense	441.50	371.09
Profit before Tax	488.33	113.77
Provision for Current Tax/Deferred Tax	46.49	(60.10)
Profit after Tax	*441.84	173.87
Earning Per Share (₹)	12.26	4.82

* including Minority Interest of ₹ 0.08

Pursuant to the Scheme sanctioned by Hon'ble Tribunal, your Company has inter-alia :

- Accounted for amalgamation under the 'Purchase Method' as per Accounting Standard 14 – Accounting for Amalgamation and ₹ 26,699 lacs, being the excess of the value of Equity Shares issued by your Company over fair value of assets and liabilities of IFGL transferred and or vested in your Company and cancellation of Equity Shares of your Company held by IFGL has been recognised as Goodwill.
- Useful life of said Goodwill has been estimated to be 10 years and is being accordingly amortised.
- Your Company has on 18th September 2017 issued and allotted 34,610,472 Equity Shares of ₹ 10/- each fully paid up to the Shareholders of IFGL on the record date, 15th September 2017.
- Equity Shares of your Company will be listed both on BSE Limited and National Stock Exchange of India Limited.

Profit before Tax mentioned hereinabove is after providing for ₹ 266.99 millions towards amortisation of said Goodwill.

Industry Review, Future Outlook and Expansion Plans

Market for refractories have a very strong link with the demand for Steel in as much as Iron and Steel Industry contribute more than

Directors' Report and Management Discussion and Analysis Report to the Shareholders (Contd.)

60% of demand for refractories in volume terms. Global Market for refractories said to be around USD 45 billions in 2016 is slated to grow at a CAGR of 3.23% to USD 53 billions by 2021, as Global Steel Production has also been increasing. In India new policy on steel has been announced, which has set a target capacity of 300 million tonnes of steel by 2030. This new policy envisages increased per capita steel consumption of 160 kgs by 2030 from present level of 60 kgs and increased demand for high automotive steel, electrical steel and special steels, improvement of productivity in MSME steel sector by adoption of newer technologies. Demand for domestically manufactured steel is also likely to increase because of several policy initiatives announced by the Indian Government, some of those being preference to locally produced steel in projects, imposition of CVD for five years on import of certain stainless steel products. The global steel production is also on a positive trajectory, with the USA, most European countries and Japanese economies performing well. All these factors coupled with increased consumption of steel for infrastructure building are likely to have positive impact on your Company.

Following the merger, your Company has emerged and got transformed to an entity with greater financial and economic strengths and better financial and operational business prospects with simplified corporate structure, increased costs competitiveness, improved administrative controls, pooling of cash for deployment both for organic and inorganic growth opportunities etc. All these added factors will go on to maximize Shareholders value.

Your Company continues to be primarily manufacturer of specialized Refractories for use by producers of Iron and Steel with strategically located manufacturing facilities in India and Overseas. The Company is well known amongst Iron and Steel Industry globally and is supported by established brands and well trained marketing, selling and after sales team with an extensive network of facilitators, dealers and distributors.

Your Company has taken several measures for expanding its operations including capital expenditure to boost performance. About ₹ 100 million will be spent at Company's Kalunga (Odisha) manufacturing facilities to augment manufacturing of Slide Gate Refractories and Zirconia Nozzles. About ₹ 100 millions is also going to be spent to enhance manufacturing capacity of ISO products by 50% at its Kandla (Gujarat) facility. The German Subsidiary, Hofmann Ceramic GmbH is also doing capital expenditure to expand capacity and increase efficiency by automation. Your Company continues with initiatives for cost reduction and synergisation of resources available within the Group for optimization of revenues and margin expansion.

Subsidiaries

Following merger of IFGL, your Company has now operational subsidiaries in Peoples Republic of China, Germany, UK and USA. Immediate Subsidiary of your Company is IFGL Worldwide Holdings Limited (IWHL), Isle of Man. Total Revenue, PBT and PAT on consolidated basis for FY 2016-2017 of IWHL, which holds all the overseas subsidiaries, have been GBP 46.27 millions, GBP 4.23 millions and GBP 3.02 millions respectively.

Dividend

Following your Company's policy of distributing profits amongst the Shareholders, your Directors have recommended payment of Dividend @ 20% i.e. ₹ 2/- per Equity Shares for FY 2016-2017. Dividend will be paid on expanded 36,039,312 Equity Shares of ₹ 10/- each of your Company i.e. including 34,610,472 Equity Shares of ₹ 10/- each of your Company issued and allotted to holders of Equity Shares of IFGL. Total amount involved together with Dividend Distribution Tax is ₹ 86.75 millions.

Corporate Governance/Vigil Mechanism etc

During FY 2016-2017, provisions of Corporate Governance applied to your Company inasmuch as IFGL was listed on BSE and NSE. A Report on Corporate Governance compliances by IFGL duly certified by your Company's Statutory Auditors form part of this Report as Annexure 'A'.

Following scheme of Amalgamation sanctioned by the Hon'ble Tribunal, your Company has taken steps to list its Equity Shares both on BSE and NSE. ISIN allotted by Depositories, NSDL and CDSL to your Company's Equity Shares is INE133Y01011. Your Company has also adopted Corporate Governance Policies and Procedures practiced by IFGL and will continue to follow the philosophy for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

Effective 5th August 2017, your Company has also adopted and put in place Vigil Mechanism/Whistle Blower Policy, Policy for Prevention of Sexual Harassment of Women at work place etc followed by IFGL. During FY 2016-2017, no complaint was received under these Policies by IFGL. Policies and Systems for Internal Control including Financial, Risk Management and Transfer Pricing in place were/are commensurate to nature of business and size of your Company and are reviewed and updated from time to time as and when necessary.

Directors' Report and Management Discussion and Analysis Report to the Shareholders (Contd.)

Disclosures

Form MGT 9, being extract of Annual Return, form part of this Report as **Annexure 'B'**. Said Form also provide information of IFGL wherever relevant and necessary. Several matters including those provided at Section 134(3) of the Companies Act, 2013 read with relevant provisions of the Companies (Accounts) Rules 2014 and Regulation 34 and 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) required to be included herein, have been dealt in Annexures hereto including Audited Financial Statements and Notes forming part thereof to the extent are related with IFGL. Those matters have not been included herein again for brevity. Information Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in **Annexure 'C'** which also include those of IFGL. Transactions with related parties have been in ordinary course of business of your Company as well as IFGL and at arms length. Hence details thereof have not been given in Form AOC-2. Formal Annual Evaluation of the Board of IFGL and its Committees and Individual Directors (including Independent Directors) was carried out at IFGL's Board Meeting held on 6th May 2017. Further details are appearing in Report on Corporate Governance, being Annexure 'A' hereto.

IFGL regularly made Quarterly Presentations, Conference Calls and Interaction, following Announcement of Quarterly and Annual Results and these enhanced confidence of Investors therein. All said practices have also been adopted by your Company and will be pursued.

Following aforesaid merger, your Company has ceased to be the Subsidiary of IFGL and all Subsidiaries of IFGL have become Subsidiaries of your Company. Accordingly your Company does not have any Indian Subsidiary. A statement in Form AOC-1 having financial information of Subsidiary Companies form part of this Report as **Annexure 'D'**. Shareholders of your Company who are desirous of having complete Statement of Accounts and related detailed information of Subsidiary Companies, may send their request therefor to your Company's Registered Office. The same are being kept for inspection at Registered Office of your Company and its Subsidiaries Companies and also available on Company's website i.e. www.ifglref.com.

Directors Responsibility Statement

Your Directors state that :

- a) In preparation of Annual Accounts, the Applicable Accounting Standards have been followed.
- b) Accounting Policies selected and applied are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the Profit and Loss of your Company for that period.
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of your Company and for preventing and detecting fraud and other irregularities.
- d) the Annual Accounts have been prepared on a Going Concern basis.
- e) Internal Financial Controls i.e. Policies and Procedures for ensuring orderly and efficient conduct of business, including adherence to Company's Policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information, have been laid down and that such controls are adequate and operating effectively.
- f) proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively

Your Company's Statutory Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants have Audited the Statement of Accounts in accordance with Generally Accepted Accounting Standards and Practices as indicated in their Report.

CSR, Human Resource and Industrial Relations

Your Company as well as IFGL constituted Committee of the Directors on Corporate Social Responsibility. Following merger of IFGL with your Company, CSR Committee of your Company has been reconstituted and details relating thereto have been mentioned in Corporate Governance Report i.e. in Annexure 'A' hereto. Annual Report in compliance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is forming part hereof as **Annexure 'E'**.

Your Company as well as IFGL also have had Nomination and Remuneration Committee of the Directors (effective 5th August 2017, Remuneration Committee of your Company renamed as Nomination and Remuneration Committee) following provisions of Section 178(1) of the Act. Subsequent to merger, said Committee has also been re-constituted and details thereof are also contained in Corporate Governance Report i.e. in Annexure 'A' hereto. Based on recommendation of said Committee, your Board has adopted a Nomination

Directors' Report and Management Discussion and Analysis Report to the Shareholders (Contd.)

and Remuneration Policy, which is hosted on your Company's website www.ifglref.com. For the sake of brevity said Policy has not been reproduced here.

During FY 2016-2017, 3 persons employed with your Company (including IFGL) received Remuneration of ₹ 102 lacs per annum or more or ₹ 8.50 lacs per month or more. Mr S K Bajoria and Mr P Bajoria who have been Whole-time Directors of IFGL have been paid "minimum remuneration" for FY 2016-2017 with the approval of the Central Government as per provisions of Section 197(3) and other relevant applicable Sections of the Act. Your Company (including IFGL) have had 645 permanent employees in India. An Annexure having information following provisions of Section 134(3)(q) and 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report. This Annexure is however not being sent to Members as per provisions of Section 136 of the Act. Members desirous of having the Annexure may write to Company Secretary at the Registered Office. However the Annexure will also be available for inspection by the Members at Company's Registered Office upto conclusion of forthcoming Annual General Meeting. None of the Employee listed in said annexure is relative of any Director of the Company. None of the Employees either directly or indirectly held/hold more than two percent of Total Equity Share Capital of your Company (including IFGL) other than your Executive Chairman, Mr S K Bajoria.

Industrial Relations in your Company as well as IFGL remained cordial during FY 2016-2017. Conducive working environment was continued to be provided and employees were empowered by training. Compensation packages and benefits provided were also no less favourable than those of the peers.

Consolidated Financial Statements

In accordance with Accounting Standard 21 and other relevant provisions particularly Section 129(3) of the Act, Consolidated Financial Statements duly audited by Statutory Auditors, M/s Deloitte Haskins & Sells form part of this Annual Report. Consolidated Financial statements have been prepared based on Financial Statements (including Consolidated) of immediate Subsidiary Company i.e. IFGL Worldwide Holdings Limited, Isle of Man as approved by their Board.

Directors and Key Managerial Personnel (KMP's)

During FY 2016-2017, there have not been any change in Directors of your Company. Mr Hisatake Okumura ceased to be a Director of your Company on and from 6th May 2017. In vacancy arising, Mr Yuzo Kawatsu, a Senior Executive of Krosaki Harima Corporation, Japan, was appointed as an Additional Director of your Company on and from 11th May 2017. Following merger of IFGL, which became effective on and from 5th August 2017, the Board of Directors of your Company has been re-constituted and following is the composition thereof effective that date. Your Directors record their appreciation for the contribution made by Mr Okumara in his capacity as a Member of the Board.

Sl. No.	Director's Name	Designation	Appointment Date
1.	Mr Shishir Kumar Bajoria DIN : 00084004	Chairman and Whole-time Director – Promoter	07.09.2007
2.	Mr Pradeep Bajoria DIN : 00084031	Managing Director	07.09.2007
3.	Mr Kamal Sarda DIN : 03151258	Whole-time Director (Designated as Director & Chief Executive Officer and Chief Financial Officer)*	01.04.2012
4.	Mr Kanwar Satyabrata Sanyal DIN : 00009497	Non-Executive Independent Director	30.03.2012
5.	Mr Yuzo Kawatsu DIN : 07818936	Non-Executive Non Independent Director (Additional Director)	11.05.2017
6.	Mr Duraiswamy Gunaseela Rajan DIN : 00303060	Non-Executive Independent Director (Additional Director)	05.08.2017
7.	Mr Debal Kumar Banerji DIN : 03529129	Non-Executive Independent Director (Additional Director)	05.08.2017
8.	Prof Bharati Ray DIN : 06965340	Non-Executive Independent Director – Woman Director (Additional Director)	05.08.2017
9.	Prof Surendra Munshi DIN : 03558948	Non-Executive Independent Director (Additional Director)	05.08.2017
10.	Mr Sudhamoy Khasnobis DIN : 00025497	Non-Executive Independent Director (Additional Director)	05.08.2017

*Designated as Chief Financial Officer on and from 5th August 2017.

Directors' Report and Management Discussion and Analysis Report to the Shareholders *(Contd.)*

Provisions of Section 203 of the Act dealing with appointment of Key Managerial Personnel, became applicable to your Company effective 5th August 2017 and following are the Key Managerial Personnel of your Company.

Sl. No.	Director's Name	Designation	Appointment Date
1.	Mr Shishir Kumar Bajoria	Chairman	05.08.2017
2.	Mr Pradeep Bajoria	Managing Director	05.08.2017
3.	Mr Kamal Sarda	Director & Chief Executive Officer and Chief Financial Officer*	01.04.2012
4.	Mr Rajesh Agarwal	Company Secretary	05.08.2017

*Designated as Chief Financial Officer on and from 5th August 2017.

Details of meetings of the Board of Directors held during FY 2016-2017 and attendance thereat both of your Company and IFGL is given in Corporate Governance Report – Annexure 'A'. Following provisions of Section 173(1) of the Act, gap between two Board Meetings did not exceed one hundred twenty days.

All the Additional Directors will cease to hold their office at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment for further period. Independent Directors, Mr K S B Sanyal, Mr D G Rajan, Mr Debal Kumar Banerji, Prof Bharati Ray, Prof Surendra Munshi and Mr Sudhamoy Khasnobis of your Company have given their statement of declaration under Section 149(7) of the Act that they meet the criteria of Independence as provided in Section 149(6) of the Act and their declarations have been taken on record.

Effective 5th August 2017, the Board of Directors have adopted a Code of Conduct for the Board Members and Senior Management Employees of your Company. This Code similar to that adopted by IFGL helps your Company to maintain standard of Business Ethics and ensure compliance with legal requirements applicable to your Company. All Board Members and Senior Managerial Key Personnel of IFGL as on 31st March 2017 have confirmed compliance with this Code.

Cost Auditor

Following merger, Cost Auditor, M/s Mani & Co., were appointed as Cost Auditor of your Company for FY 2016-2017 and FY 2017-2018. Your Directors seek your approval for payment of remuneration not exceeding ₹ 3 lacs per annum for FY 2017-2018 at ensuing Annual General Meeting.

Secretarial Auditor

M/s S M Gupta & Co., Practicing Company Secretaries have carried out Secretarial Audit following provisions of Section 204 of the Act for FY 2016-2017. Their Report in Form MR 3, free of qualifications, form part hereof as **Annexure 'F'**.

Auditors' Report and Auditors

Report of the Auditors, including references made therein to the Notes forming part of the Statement of Accounts, are self explanatory.

Auditors, M/s Deloitte Haskins & Sells (Regn No. 302009E), Chartered Accountant will retire at conclusion of 12th Annual General Meeting of your Company. Following provisions of Section 139 of the Act, their appointment as Auditors of your Company is required to be ratified at ensuing Annual General Meeting.

Acknowledgement

Your Directors place on record their sincere appreciation for continued support received from all stakeholders particularly you the Shareholders.

On behalf of the Board of Directors

Kolkata
9th October 2017

S K Bajoria
(DIN : 00084004)
Chairman

P Bajoria
(DIN : 00084031)
Managing Director

Annexure 'A' to Directors' Report - Report on Corporate Governance

1. The Company's philosophy for Corporate Governance is to apply best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

During Financial Year (FY) 2016-2017, Corporate Governance provisions did not apply to the Company, since the Company was unlisted. However, erstwhile IFGL Refractories Limited (IFGL), which amalgamated with the Company on and from 1st April 2016 following passing of an Order on 3rd August 2017 by Hon'ble National Company Law Tribunal, Kolkata Bench (Hon'ble Tribunal), was in full compliance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015). Following the Amalgamation Scheme sanctioned by Hon'ble Tribunal, the Company is in the process of listing its Equity Shares both with National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and is committed to adhere consistently to Corporate Governance and thus meet all its obligations towards stakeholders.

2. Board of Directors

Following aforesaid amalgamation, whose scheme became effective on and from 5th August 2017, the Company has re-constituted its Board of Directors and following is the composition thereof.

Category	No. of Directors	%
Executive Directors	3	30
Non-Executive Non Independent Director	1	10
Non-Executive Independent Directors	5	50
Non-Executive Independent Woman Director	1	10
Total	10	100

Prior to scheme becoming effective, as on 31st March 2017, the Company was a subsidiary of IFGL and following was the composition of the Board of Directors.

Category	No. of Directors	%
Executive Director	1	20
Non-Executive Non Independent Directors	3	60
Non-Executive Independent Director	1	20
Non-Executive Independent Woman Director	—	—
Total	5	100

Following has been the Composition, Category, Directorship and Committee Membership in other Companies of the Board of Directors of IFGL as on 31st March 2017.

Name of Directors	Category of Directors	Members of the Board of other Public Limited Companies incorporated in India @	Total Number of Committee (d) Membership held in other Public Limited Companies [excluding Private Limited Companies, Foreign Companies and Companies of Section 8 of the Companies Act, 2013 (the Act)]	
			As Chairman	As Member
P Bajoria*	Executive	1	—	—
S K Bajoria* (a)	Executive	1	—	—
D K Banerji	Non-Executive (c)	—	—	—
S Khasnobis	Non-Executive (c)	—	—	—
Prof S Munshi	Non-Executive (c)	—	—	—
H Okumura* (ceased w.e.f 06.05.2017)	Non-Executive (b)	—	—	—
D G Rajan	Non-Executive (c)	6	5	—
Prof Bharati Ray	Non-Executive (c)	1	—	1
K S B Sanyal*	Non-Executive (c)	3	2	1

None of the above Directors are related inter-se.

@ excluding Directorship in the Company.

* Also Directors of the Company. Mr Kamal Sarda is Executive Whole Time Director of the Company.

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

- Also Promoter.
- A Senior Executive of Krosaki Harima Corporation, Japan, being Foreign Promoter of the Company.
- Also Independent.
- Only 2 (two) Committees viz Audit Committee and Stakeholders Relationship Committee are considered.

Mr K Dalmia and Prof A N Sadhu ceased to be Directors of IFGL on and from 12th November 2016 and 30th January 2017 respectively. Mr Yuzo Kawatsu was appointed as Director of IFGL on and from 11th May 2017.

None of the Directors of the Company and IFGL held the office of Director in more than the permissible number of Companies under Section 165 of the Act. Also, the Committee Chairpersonships/Memberships are within the limits laid down in Regulation 26(1) of the SEBI LODR, 2015. All Executive and Non-Executive (excepting Independent) Directors are liable to retire by rotation. The appointment of the Executive Directors, including tenure and terms of remuneration are also approved by the Members of the Company. Appointment of Non-Executive Directors, save as otherwise expressly provided in the Act, is made at the Company's General Meeting.

Non-Executive Directors (other than Mr K Dalmia) did not have any pecuniary relationship and/or transaction with IFGL other than payment of Sitting Fees (as indicated in paragraph 3.2C below) and/or reimbursement of out-of-pocket expenses for attending meetings of the Board and/or Committee(s) thereof.

During FY 2016-2017, the Board of Directors of the Company and IFGL met 5 (five) and 4 (four) times respectively and details thereof are as follows :

Board Meeting dates of the Company	No. of Directors present	Board Meeting dates of IFGL	No. of Directors present
14th May 2016	5	14th May 2016	10
1st August 2016	3	6th August 2016	7
6th August 2016	4		
12th November 2016	4	12th November 2016	8
11th February 2017	3	11th February 2017	6

Gap between two Board Meetings did not exceed 120 days prescribed under Section 173(1) of the Act and Regulation 17 of the SEBI LODR, 2015.

While the Company effected payment of ₹ 10,000/- towards Sitting Fees for attending each of the meeting of the Board, IFGL effected payment of ₹ 20,000/-. Annual General Meeting (AGM) of the Company and IFGL were held on 27th June 2016 and 19th August 2016 respectively. Attendance of the Directors at Board Meetings and AGM has been as follows :

Director's Name	Number of Board Meetings of the Company		Attended last AGM held on 27.06.2016	Number of Board Meetings of IFGL		Attended last AGM of IFGL held on 19.08.2016
	Held	Attended		Held	Attended	
P Bajoria	5	5	Yes	4	4	Yes
S K Bajoria	5	3	Yes	4	3	No
D K Banerji	NA	NA	NA	4	3	No
S Khasnobis	NA	NA	NA	4	3	No
Prof S Munshi	NA	NA	NA	4	4	No
H Okumura	5	2	No	4	2	No
D G Rajan	NA	NA	NA	4	4	No
Prof Bharati Ray	NA	NA	NA	4	3	No
K Sarda	5	5	Yes	NA	NA	NA
K S B Sanyal	5	4	No	4	3	Yes
K Dalmia (ceased w.e.f 12.11.2016)	NA	NA	NA	2	0	No
Prof A N Sadhu (ceased w.e.f 30.01.2017)	NA	NA	NA	3	2	No

As stated hereinbefore, the Company has been a Subsidiary of IFGL in as much as 51% of total issued, subscribed and paid up share capital of the Company was held by IFGL and out of balance, 29% held by Indian Promoter Group and 20% held by Foreign Promoter, Krosaki Harima Corporation (KHC), Japan.

Annexure 'A' to Directors' Report - Report on Corporate Governance (Contd.)

IFGL was a Subsidiary of Bajoria Holdings Private Limited (BHPL), a Company, 100% shareholding whereof was held by Mr S K Bajoria and his family members. BHPL held 52.93% and KHC held 14.47% of total issued, subscribed and paid up share capital of IFGL. Particulars of shareholding of Non-Executive Directors of IFGL (both own or held by/for other person(s) on beneficial basis), as on 31st March 2017, are as follows :

Director's Name	No. of Shares held
D G Rajan	490
K S B Sanyal	Nil
H Okumura	Nil
S Khasnobis	Nil
D K Banerji	Nil
Prof S Munshi	Nil
Prof Bharati Ray	Nil

Information placed before the Board

The Company held its meetings of Board of Directors following requisite provisions of the Act. Similar has been the case with IFGL. Board Meetings of both the Company and IFGL were governed by a structured agenda. The Board members, with permission of the Chairman brought matters not covered in Agenda for consideration of the Board. All major Agenda items were backed by comprehensive background information to enable the Board to take informed decisions.

3. Committees of the Board

3.1 During FY 2016-2017, the Company neither had Audit Committee nor Stakeholders Relationship Committee nor Investment Committee. The Company only had Corporate Social Responsibility (CSR) Committee (constituted on 14th May 2016) and Remuneration Committee (known as Nomination and Remuneration Committee w.e.f 5th August 2017) and following are details thereof.

i) Corporate Social Responsibility Committee

Director's Name	Position
S K Bajoria	Chairman
K S B Sanyal	Member
K Sarda	Member

First meeting of the Committee was held on 6th August 2016, which was attended by all Committee members.

ii) Remuneration Committee

Director's Name	Position
S K Bajoria	Chairman
P Bajoria	Member
K S B Sanyal	Member

Meeting of the Committee was held on 14th May 2016 and all Committee members attended the same.

Both of these Committees have been reconstituted on and from 5th August 2017 following merger of IFGL becoming effective that date. Audit Committee, Stakeholders Relationship Committee and Investment Committee of Directors of the Company have also been constituted on that date.

Annexure 'A' to Directors' Report - Report on Corporate Governance (Contd.)

(₹ in lacs)

iii) Details of remuneration paid/payable to the Executive Directors and Non-Executive Directors of the Company for FY 2016-2017 are as follows :

Name of Directors	Salary and other benefits				Sitting Fees	
	Salary (including House Rent Allowance)	Commission	Contribution to Provident and other Funds	Other Perquisites	Board Meetings	Committee Meetings
K Sarda	59.82	—	3.58	1.98	—	—
P Bajoria	—	—	—	—	—	—
S K Bajoria	—	—	—	—	—	—
H Okumura	—	—	—	—	0.20	—
K S B Sanyal	—	—	—	—	0.40	0.10

3.2 During FY 2016-2017, IFGL have had five Board level Committees and their details are as follows :

A. Audit Committee

Audit Committee (the Committee) comprising of following three Non-Executive Independent Directors, all financially literate and having accounting or related Financial Management expertise.

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	4	3
D G Rajan	Member	4	4
Prof A N Sadhu (resigned w.e.f 30.01.2017)	Member	3	2
D K Banerji (become Member w.e.f 11.02.2017)	Member	1	1

4 (four) meetings of the Committee were held on 14th May 2016, 6th August 2016, 12th November 2016 and 11th February 2017 during FY ended on 31st March 2017. Gap between two meetings never exceeded one hundred and twenty days.

Chairman, Managing Director, Chief Financial Officer, Internal Auditors and Statutory Auditors also attended said meetings as and when required by the Committee. Mr R Agarwal, Company Secretary, has been the Secretary to the Committee.

Unaudited Quarterly and Audited Annual Financial Results were reviewed, analysed and confirmed by the Committee before they were approved by the Board of Directors of IFGL for submission to the Stock Exchanges and publication in Newspapers in compliance of Regulation 47 of the SEBI LODR, 2015.

Terms of reference of the Committee included the powers and role included review of information, as specified in Part C of Schedule II of SEBI LODR, 2015, of IFGL as well as that of its Subsidiary Companies.

B. Corporate Social Responsibility Committee

Corporate Social Responsibility Committee (the Committee) constituted in compliance of Section 135 of the Act and Rules framed thereunder. Following its role and responsibility, the Committee formulated and recommended to the Board a Policy indicating CSR activities to be undertaken, expenditure to be incurred on account thereof and monitoring the same on an ongoing basis. Following Directors were the Members of the Committee :

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	3	2
D K Banerji	Member	3	2
S K Bajoria	Member	3	3
Prof Bharati Ray	Member	3	3

3 (three) meetings of the Committee were held on 14th May 2016, 6th August 2016 and 12th November 2016 during FY ended on 31st March 2017.

Annexure 'A' to Directors' Report - Report on Corporate Governance (Contd.)

C. Nomination and Remuneration Committee

As per Para A of Part D of Schedule II of SEBI LODR, 2015, role of the Nomination and Remuneration Committee (the Committee) included formulation of criteria for determining qualification, positive attributes and independence of Directors and recommend to the Board, Policy relating to Remuneration of Directors, Key Managerial Personnel and other Employees. Role also included determination on behalf of the Board and on behalf of the Shareholders, the IFGL's Policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and/or to recommend remuneration including perquisites payable by the Company/IFGL on their appointment and/or re-appointment.

The Committee laid down criteria for evaluation of performance of Independent Directors and the Board, which inter-alia included concern for stakeholders, contribution to setting strategy and policy, directions, knowledge and approach to issues placed before the Board and also that the Directors excluding the Director whose performance is being evaluated, at their first meeting of each FY, evaluate performance and based on such evaluations, decide whether to extend or continue term of the appointment of the Independent Directors determined.

The Committee comprised of following Non-Executive Independent Directors :

Name of Directors	Position	No. of Meetings	
		Held	Attended
Prof A N Sadhu (resigned w.e.f 30.01.2017)	Chairman	2	1
D G Rajan	Chairman (effective 11.02.2017)	3	3
K S B Sanyal	Member	3	3
D K Banerji (appointed w.e.f 11.02.2017)	Member	1	1

3 (three) meetings of the Committee were held on 14th May 2016, 6th August 2016 and 11th February 2017 during FY ended on 31st March 2017.

Details of remuneration paid/payable to the Executive Directors and Non-Executive Directors of IFGL for FY 2016-2017 are as follows :

(₹ in lacs)

Name of Directors	Salary and other benefits				Sitting Fees	
	Salary (including House Rent Allowance)	Commission	Contribution to Provident and other Funds	Other Perquisites	Board Meetings	Committee Meetings
P Bajoria (e)*	187.20	22.00	74.19	2.00	—	—
S K Bajoria (e)**	132.00	28.00	60.45	15.62	—	—
D K Banerji	—	—	—	—	0.60	0.25
K Dalmia***	—	—	—	—	—	—
S Khasnobis	—	—	—	—	0.60	0.10
Prof S Munshi	—	—	—	—	0.80	—
H Okumura	—	—	—	—	0.40	—
D G Rajan	—	—	—	—	0.80	0.55
Prof A N Sadhu****	—	—	—	—	—	—
Prof Bharati Ray	—	—	—	—	0.60	0.15
K S B Sanyal	—	—	—	—	0.60	1.20

* Being Minimum Remuneration in accordance with Special Resolution passed by the Shareholders in their AGM held on 19th August 2016 and within the limit of approval of the Central Government under provisions of Section 197 of the Act of ₹ 286.32 lacs.

** Being Minimum Remuneration in accordance with Special Resolution passed by the Shareholders in their AGM held on 19th August 2016 and within the limit of approval of the Central Government under provisions of Section 197 of the Act of ₹ 236.21 lacs.

*** Resigned w.e.f 12th November 2016

****Waived his entitlement to Sitting Fees. Resigned w.e.f 30th January 2017

e) i) Service Contract - 5 years (from 1st April 2015 to 31st March 2020)

ii) Notice period - 3 months Notice from either side

iii) Severance Fees - 3 months salary in lieu of Notice

iv) Commission - 1% of the 'Net Profit' eligible subject to total remuneration not exceeding 5% thereof for the FY.

No stock option was given to the Directors.

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

D. Stakeholders Relationship Committee

The Stakeholders Relationship Committee (the Committee) comprised of following Directors :

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	13	13
S K Bajoria	Member	13	7
P Bajoria	Member	13	11

13 (thirteen) meetings of the Committee were held during the FY ended on 31st March 2017 and gap between two meetings never exceeded 30 (thirty) days.

Following Para B of Part D of Schedule II of the SEBI LODR, 2015, role of the Committee included redressal of Shareholders' complaints relating to Transfer/Transmission of Shares, Exchange of Share Certificates, Non-Receipt of Balance Sheet, Non-Receipt of declared Dividends etc.

Pursuant to Regulation 40 of the SEBI LODR, 2015, the Board of IFGL delegated the power of Share Transfer to the Company Secretary, Mr R Agarwal subject to ratification at the immediately succeeding meeting of the Committee.

Status of complaints of Shareholders/Investors is as under :

Number of complaints pending as on 1st April 2016	–
Number of complaints received during the FY	6
Number of complaints redressed during the FY	6
Number of complaints pending as on 31st March 2017	–

Most of the complaints received related to exchange of Share Certificates (a) consequent to reduction of paid up capital of Equity Shares of IFGL in the year 1996 and (b) amalgamation of Indo Flogates Limited with IFGL on and from 1st April 1999 pursuant to Orders of Hon'ble Orissa High Court of 5th November 1996 and 3rd August 2000 respectively, registration of Transfer/Transmission of Equity Shares, Issuance of Duplicate Share Certificates, Non-Receipt of Dividend Warrants and Annual Reports.

E. Investment Committee

Investment Committee (the Committee) comprised of following Directors :

Name of Directors	Position	No. of Meetings	
		Held	Attended
S K Bajoria	Chairman	3	2
P Bajoria	Member	3	3
S Khasnobis	Member	3	2

3 (three) meetings of the Committee were held on 14th May 2016, 6th August 2016 and 11th February 2017 during the FY ended on 31st March 2017.

Role of the Committee was to inter-alia examine and recommend measures for management of foreign currency exposures and opportunities for deployment of cash flow surpluses available with IFGL.

4. General Body Meetings

Location and time, where last three AGMs of the Company were held

AGM	FY	Date	Time	Place
7th	2013-2014	Monday, 30th June 2014	11 AM	3, Netaji Subhas Road, Kolkata 700 001
8th	2014-2015	Monday, 29th June 2015	11 AM	-do-
9th	2015-2016	Monday, 27th June 2016	11 AM	-do-

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

Location and time, where last three AGMs of IFGL were held

AGM	FY	Date	Time	Place
25th	2013-2014	Friday, 22nd August 2014	11 AM	Sector 'B', Kalunga Industrial Estate P.O. Kalunga 770 031, Dist. Sundergarh, Odisha
26th	2014-2015	Saturday, 22nd August 2015	11 AM	-do-
27th	2015-2016	Friday, 19th August 2016	11 AM	-do-

Special Resolutions passed at the last 3 (three) AGMs of the Company

FY	Items
2013-2014	i) Re-appointment of Mr Kamal Sarda (DIN : 03151258) for a period of three years from 1st April 2015 and payment of Remuneration. ii) Under Section 180(1)(c) of the Act for borrowing from time to time but not exceeding ₹ 100 crores. iii) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties.
2014-2015	i) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties.
2015-2016	Nil

Special Resolutions passed at the last 3 (three) AGMs of IFGL

FY	Items
2013-2014	i) Re-appointment of Mr S K Bajoria as Chairman for a period of five years from 1st April 2015 and payment of Remuneration. ii) Re-appointment of Mr P Bajoria as Managing Director for a period of five years from 1st April 2015 and payment of Remuneration. iii) Under Section 180(1)(c) of the Act for borrowing from time to time but not exceeding ₹ 500 crores and provide security in respect thereof in accordance with provisions of Section 180(1)(a) of the Act. iv) Under Section 188 of the Act for Mr Akshay Bajoria, son of Mr P Bajoria, to hold an office or place of profit. v) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties. vi) For alteration of Articles of Association.
2014-2015	i) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties.
2015-2016	i) Payment of Minimum Remuneration for FY 2016-2017 to the Chairman, Mr S K Bajoria. ii) Payment of Minimum Remuneration for FY 2016-2017 to the Managing Director, Mr P Bajoria. iii) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties.

Postal Ballot

The Company did not conduct any business through Postal Ballot during FY under review. However, IFGL conducted business through Postal Ballot in connection with its merger with the Company following Order of the Hon'ble Tribunal.

5. Means of Communication

During FY 2016-2017, the Company has been unlisted. Following Scheme of Amalgamation sanctioned by the Hon'ble Tribunal, the Company is in the process of getting its Equity Shares listed on BSE and NSE. Equity Shares of IFGL were listed both on BSE and NSE. Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance are the core of good governance. Towards this end :

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

- Quarterly Results of IFGL were announced within 45 days of the completion of the Quarter and Audited Annual Results were announced within 60 days of end of last Quarter and Stock Exchanges were immediately intimated after the same were taken on record by the Board. Further coverage was given for the benefit of the Shareholders and Investors by publication of the Financial Results in English and Odia newspapers (normally Business Standard – English and Utkal Mail – Odia) widely circulating in the State of Odisha. IFGL did not send half yearly reports to the Individual Shareholders.
- Audited/Unaudited Financial Results and other pertinent information of IFGL were also made available on its website i.e. www.ifglref.com, website of NSE i.e. www.nseindia.com and website of BSE i.e. www.bseindia.com.
- Information relating to Shareholding Pattern, entire Annual Report of IFGL and its Subsidiaries and Corporate Announcements/ Press Releases, Investors Presentation, Transcript of Quarterly Earnings Call with Investors, made by IFGL were also uploaded on its website www.ifglref.com.

6. General Shareholder Information

Date of AGM	Saturday, 23rd December 2017
Time	11 AM
Venue	Company's Registered Office
Financial Calendar 2017-2018 (tentative and subject to change)	<ul style="list-style-type: none"> Financial Year – April to March First Quarter Results – by second week of September 2017 Second Quarter Results – by second week of December 2017 Third Quarter Results – by second week of February 2018 Audited Results for the year ending 31st March 2018 – by last week of May 2018
Book Closure Period	Monday, 18th December 2017 to Saturday, 23rd December 2017
Dividend Payment Date	On Saturday, 9th September 2017 the Board of Directors of the Company has recommended payment of Dividend at the rate of 20% i.e. ₹ 2/- per Equity Share for financial year 2016-2017 subject to approval of the Shareholders at ensuing AGM. Payment of said Dividend will be made on or after Thursday, 28th December 2017.

Listing on Stock Exchanges

During FY 2016-2017, Equity Shares of the Company were not listed on Stock Exchanges. Following Scheme of Amalgamation sanctioned by the Hon'ble Tribunal, the Company has taken steps for listing of its Equity Shares both on BSE and NSE. In this connection, the Company has paid Processing Fee, Initial and Annual Listing Fee to both BSE and NSE. International Security Identification Number (ISIN) allotted to the Company under Depository Systems is INE133Y01011. Annual Custody Fee for FY 2017-2018 has been paid to the Depositories, NSDL and CDSL.

During FY 2016-2017, Equity Shares of IFGL were listed both on BSE and NSE under Stock Code Nos. 532133 and IFGLREFRAC(EQ) respectively. ISIN was allotted to IFGL's Shares under the Depository System has been INE023B01012. IFGL effected payment of Listing Fee for FY 2017-2018 to both of said Stock Exchanges and Annual Custody Fee to the Depositories, NSDL and CDSL.

Address for correspondence

Registered Office	McLeod House, 3, Netaji Subhas Road, Kolkata 700 001 Tel : +91 33 40106100, Fax : +91 33 22430886, +91 33 22480482 E-mail : ifgl.ho@ifgl.in and investorcomplaints@ifgl.in
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Corporate Identification Number (CIN)

CIN of the Company is U51909WB2007PLC118407. CIN of IFGL is L27202OR1989PLC002971.

Annexure 'A' to Directors' Report - Report on Corporate Governance (Contd.)

Market Price Data

Equity Shares of IFGL were regularly traded on BSE and NSE. Following is the month-wise high/low prices of IFGL's Equity Shares on BSE and NSE for FY 2016-2017.

Months	BSE Limited		National Stock Exchange of India Limited	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2016	108.45	84.65	108.70	84.95
May 2016	125.00	97.20	124.70	96.95
June 2016	119.90	106.70	119.70	105.10
July 2016	149.00	114.45	149.00	109.90
August 2016	155.00	118.60	154.40	116.60
September 2016	146.15	117.50	148.00	116.00
October 2016	172.20	126.15	171.95	124.00
November 2016	173.65	128.30	174.95	121.95
December 2016	185.50	150.00	185.85	148.30
January 2017	201.00	159.40	201.00	166.35
February 2017	224.00	185.00	224.40	183.00
March 2017	235.40	190.05	235.00	171.00

Increase or decrease in the SENSEX/NIFTY is not commensurate to fluctuations in Market Price.

7. Disclosures :

- A Statement in summary form of transactions with related parties in the ordinary course of business was placed periodically before the Board of Directors/Audit Committee. All transactions with the related parties have been on an arms length basis. A Policy on transactions with related parties have also been formulated, which has been hosted on Company's website www.ifglref.com.
- Neither the Company nor IFGL had any materially significant related party transactions, which may have potential conflict with interest of the Company.
- Financial Statements for the FY under review include effect of merger sanctioned by the Hon'ble Tribunal and no accounting treatment which was different from that prescribed in the Accounting Standard has been followed.
- For disclosures of related party relationship and transactions as per Accounting Standard 18, "Related Party Disclosures", Note 34 to the Annual Audited Accounts of the Company for the FY ended 31st March 2017 may be referred to.
- Both the Company and IFGL, during part of FY under review, supplied Refractories (of unique/special nature) to a company (where Mr K Dalmia being Director of IFGL upto 12th November 2016, happened to hold Directorship) as per the latter's requirements from time to time at prices and terms which were negotiated and mutually agreed. In the AGM of the Shareholders of the Company and IFGL held on Monday, 27th June 2016 and Friday, 19th August 2016, Resolutions under Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 have also been passed with regard to transactions with related parties.
- Resume and other information of the Directors proposed to be appointed/re-appointed at the ensuing AGM of the Company are given in the Notice relating thereto to the Shareholders as required under Regulation 36(3) of SEBI LODR, 2015.
- Nomination and Remuneration Committee of IFGL has devised a Policy on Board Diversity, a copy whereof is hosted on Company's website www.ifglref.com.
- A Management Discussion and Analysis Report has been included as a part of the Directors' Report to the Shareholders for FY ended 31st March 2017.
- In accordance with requirement of Corporate Governance, the Board of Directors of IFGL formulated a Code of Conduct for Board of Directors including Independent Directors and Senior Management Personnel and the compliance thereof has been affirmed by all concerned. The Code provided for duties of Independent Directors as laid down in the Act. Required declaration to this effect

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

signed by the Managing Director of the Company is appended as a separate Annexure to this Report. This Code of Conduct, adopted by the Company, has also been hosted on Company's website www.ifglref.com.

- No penalties/strictures were imposed on IFGL by any regulatory authority on any matter related to capital markets during last three years.
- The Company was a Non Material Indian Subsidiary of IFGL. Following principles of good Corporate Governance, Mr K S B Sanyal, being one of the Independent Directors of IFGL, was also a Director on the Board of the Company. Following Order of the Tribunal, the Company ceased to be Subsidiary of IFGL on and from 1st April 2016.
- Following Order of the Tribunal, Subsidiaries of IFGL have become Subsidiaries of the Company. Prior to that the Company did not have any Subsidiary. IFGL placed minutes of Subsidiaries before the Board and attention of the Directors was drawn to significant transactions and arrangement entered into by Subsidiary Companies. The Company has no Indian Subsidiary.
- IFGL laid down procedures to inform the Board Members about the risk assessment and minimisation procedures. Said procedures were periodically reviewed to ensure that Executive Management control risks through means of a properly defined framework. These procedures have also been adopted by the Company.
- IFGL formulated the Code of Conduct for prevention of Insider Trading in Securities of the Company by its Directors and Employees in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015. The Board of IFGL also formulated a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information following said SEBI Insider Trading Regulations. These Code of Conduct have been adopted by the Company and hosted on Company's website www.ifglref.com. For the purposes, the Company Secretary, Mr R Agarwal has been appointed as Compliance Officer and Director and Chief Executive Officer, Mr K Sarda appointed as Chief Investor Relations Officer.

IFGL appointed Strategic Growth Advisors Private Limited (Mr Samir Shah) of 402, Pressman House, Near Orchid Hotel, 70A, Nehru Road, Vile Parle (East), Mumbai 400 099 as Investor Relations Advisors. Quarterly Results and presentation made to analysts were hosted on website www.ifglref.com. Transcripts of Quarterly Conference Calls on Financial Performance were also hosted on said website. Following merger, said appointment has got transferred to the Company and all these practices will also be followed by the Company.

- The Board of Directors of IFGL and the Company has put in place a Policy on Prevention of Sexual Harassment following provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Copy of said Policy has been hosted on Company's website www.ifglref.com. During FY 2016-2017, no complaint regarding Sexual Harassment was received.
- The Board of Directors of the Company have received a Certificate from the Managing Director and Director and Chief Executive Officer, who is also Chief Financial Officer of the Company in compliance of Regulation 17(8) of SEBI LODR, 2015.
- IFGL had a Whistle Blower Policy, whereby Vigil Mechanism was established for Directors and Employees, both permanent and temporary, to report concerns about unethical conduct and improper practices or alleged fraud or violation of Code of Conduct or Ethics Policy, to the Managing Director or Compliance Officer or the Audit Committee soon after becoming aware of the same. Said Policy inter-alia provided for adequate safeguards against victimization of persons availing mechanism of the same and also providing for direct access to the Chairman of the Audit Committee in exceptional cases. The Company has adopted said policy and hosted a copy thereof on its website www.ifglref.com.
- Pursuant to Regulation 40 of SEBI LODR, 2015, Certificates, on half year basis, were issued by a Company Secretary-in-Practice for due compliance of Share Transfer formalities by IFGL and filed with Stock Exchanges within prescribed time.
- A Chartered Accountant in full time practice carried out Reconciliation of Share Capital Audit to reconcile total admitted capital with NSDL and CDSL and the total issued and listed capital of IFGL. The Audit confirmed that the total issued/paid up capital was in agreement with the aggregate of the total number of Shares in physical form and the total number of Shares in dematerialised form (held with NSDL and CDSL).
- IFGL complied all mandatory requirements of Corporate Governance. Compliance of non mandatory requirements by IFGL are dealt with at the end of the Report. IFGL sent Compliance Reports in format prescribed to Stock Exchanges within prescribed time.
- On merger becoming effective, Board of Directors of the Company has been reconstituted and the Independent Directors have confirmed that they meet criteria of 'Independence' as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR, 2015.
- Tenure of some of the Independent Directors of IFGL was more than nine years in aggregate considering their respective initial date of induction on the Board thereof. None of the Independent Directors of IFGL or the Company has/is serving as Independent

Annexure 'A' to Directors' Report - Report on Corporate Governance (Contd.)

Directors in more than seven listed Companies. Formal letters of appointment have been issued to the Independent and hosted on Company's website www.ifglref.com.

- A meeting of the Independent Directors of IFGL was held on 14th May 2016, whereat all of them were present. Independent Directors following Company's Policy were familiarised with their roles, rights and responsibilities nature of industry in which IFGL operated, business models of IFGL etc. Details of familiarisation programmes forming part of Company's Policy therefor are hosted on the Company's website www.ifglref.com. These was followed by IFGL too.
- In a meeting held recently, the Independent Directors of IFGL inter-alia reviewed performance of the Non Independent Directors and the Board as a whole and the Chairperson of the Company taking into account views of Executive Directors and Non-Executive Directors Quality, Quantity and Timeliness of flow of information between the Company Management and the Board necessary for the Board to effectively and reasonably perform their duties was assessed. These were found to be satisfactory.
- Website www.ifglref.com of the Company is functional and provide information in accordance with Regulation 46 of SEBI LODR, 2015.
- In compliance of Regulation 7(3) of SEBI LODR, 2015, a Compliance Certificate duly signed both by Compliance Officer of IFGL and authorised representative of Share Transfer Agent for half year ended on 30th September 2016 and 31st March 2017 have been submitted to Stock Exchanges within time prescribed. IFGL has also made compliance of Regulation 7 and other Regulations relevant of Chapter III of SEBI LODR, 2015.
- Regulation 21 of SEBI LODR, 2015 regarding constitution of Risk Management Committee is not applicable either to IFGL or the Company.
- Major currency for exports of IFGL was Euro. Based on recommendation of the Investment Committee and supported by experts advice, IFGL from time to time entered into forward contracts to hedge risks on account of foreign exchange fluctuation.
- Following merger of IFGL with the Company, manufacturing facilities of the Company are situated at Plot Nos 638-644, Kandla Special Economic Zone, P.O. Gandhidham 370 230, Dist. Kutch, Gujarat and Sector 'A' and 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha.

Registrar and Share Transfer Agent for Physical and Demat Segments (RTA)

Maheshwari Datamatics Private Limited
6, Mangoe Lane (Surendra Mohan Ghosh Sarani)
2nd Floor, Kolkata 700 001
Phone : +91 33 22482248, Fax No : +91 33 22484787
E-mail : mdpldc@yahoo.com

They were RTA of IFGL and effective 21st August 2017 have become RTA of the Company also.

Compliance Officer

Mr Rajesh Agarwal, Company Secretary
3, Netaji Subhas Road, Kolkata 700 001
Phone : +91 33 40106114, Fax : +91 33 22430886
E-mail : rajesh.agarwal@ifgl.in

All communications on matters relating to Share Transfers, Dividend etc may be sent directly to Registrar and Share Transfer Agent and Complaints, if any, on these matters may also be sent to investorcomplaints@ifgl.in or to the Compliance Officer.

Share Transfer System

During FY 2016-2017, the Company did not receive Shares for transfer. IFGL registered Share Transfers within a maximum period of 15 (fifteen) days from the date of receipt provided the documents were complete in all respects. All Share Transfers were approved by the Company Secretary under the authority delegated to him.

Following Scheme of Amalgamation sanctioned by the Hon'ble Tribunal, the Company has issued and allotted one Equity Share of ₹ 10/- each fully paid up for one Equity Share of ₹ 10/- each fully paid up held in IFGL on the record date, 15th September 2017. Pending receipt of listing and trading approval of BSE and NSE, all Equity Shares of the Company remain frozen. The Company has however constituted a Stakeholders Relationship Committee of the Directors, which shall inter-alia deal with matters relating to transfer/transmission of its Equity Shares and shall delegate authority therefor, if necessary. IFGL also had said Stakeholders Relationship Committee and ensure that transfers are registered within maximum of 15 days from the date of receipt provided documents are complete in all respects.

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

Distribution of Equity Shareholding

Following is the distribution of Company's Equity Shares subsequent to issue and allotment to the holders of Equity Shares of IFGL as per Order of the Hon'ble Tribunal.

Category	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Promoter's Holding*				
- Indian Promoters	6	0.03	20,514,618	56.92
- Foreign Promoter	1	0.01	5,590,156	15.51
Financial Institutions/Banks/Mutual Funds/UTI	24	0.13	1,763,610	4.90
Foreign Institutional Investors/Foreign Portfolio Investors	4	0.02	22,412	0.06
NBFCs registered with RBI	1	0.01	256	0.00
NRIs/Clearing Member	270	1.49	226,664	0.63
Private Body Corporate	213	1.17	2,526,719	7.01
Individuals	17,616	97.14	5,394,877	14.97
Total	18,135	100.00	36,039,312	100.00

* Not pledged or otherwise encumbered in any manner.

Number of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 500	16,905	93.22	2,123,530	5.89
501 to 1000	553	3.05	460,525	1.28
1001 to 2000	273	1.51	425,176	1.18
2001 to 3000	109	0.60	278,509	0.77
3001 to 4000	54	0.30	193,904	0.54
4001 to 5000	46	0.25	216,608	0.60
5001 to 10000	97	0.53	683,084	1.90
10001 and above	98	0.54	31,657,976	87.84
Total	18,135	100.00	36,039,312	100.00

Distribution of Equity Shareholding as on 31st March 2017 of IFGL was as follows :

Category	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Promoter's Holding*				
- Indian Promoters	5	0.03	19,669,248	56.83
- Foreign Promoter	1	0.00	5,006,956	14.47
Financial Institutions/Banks/Mutual Funds/UTI	27	0.15	1,497,375	4.33
Foreign Institutional Investors/Foreign Portfolio Investors	4	0.02	42,903	0.12
NBFCs registered with RBI	1	0.00	221	0.00
NRIs/Clearing Member	408	2.23	357,900	1.03
Private Body Corporate	206	1.13	2,518,688	7.28
Individuals	17,646	96.44	5,517,181	15.94
Total	18,298	100.00	34,610,472	100.00

* Not pledged or otherwise encumbered in any manner.

Annexure 'A' to Directors' Report - Report on Corporate Governance (Contd.)

Number of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 500	16,956	92.67	2,160,004	6.24
501 to 1000	586	3.20	481,889	1.39
1001 to 2000	314	1.72	478,041	1.38
2001 to 3000	125	0.68	321,538	0.93
3001 to 4000	63	0.34	226,526	0.66
4001 to 5000	56	0.31	263,272	0.76
5001 to 10000	101	0.55	713,940	2.06
10001 and above	97	0.53	29,965,262	86.58
Total	18,298	100.00	34,610,472	100.00

Dematerialisation of Shares and Liquidity

Equity Shares of the Company having ISIN : INE133Y01011 are available for dematerialisation with the Depositories, NSDL and CDSL and following is the distribution in physical and electronic mode subsequent to issue and allotment of Equity Shares on 18th September 2017 to the holders of Equity Shares of IFGL.

	Number of Shares	% of Total Equity Shares
In DEMAT with		
- NSDL	31,679,234	87.90%
- CDSL	2,267,112	6.29%
In Physical	2,092,966	5.81%

Equity Shares of IFGL having ISIN : INE023B01012 were also available for dematerialisation both on NSDL and CDSL and following has been the distribution in physical and dematerialised form as on 31st March 2017.

	Number of Shares	% of Total Equity Shares
In DEMAT with		
- NSDL	30,707,474	88.72%
- CDSL	2,354,023	6.80%
In Physical	1,548,975	4.48%

8. Unclaimed Dividend/Shares

The Company did not declare Dividend in any of the preceding financial years. All unclaimed/unpaid Dividend pertains to IFGL. Table below give information relating to said outstanding Dividends and dates when due for transfer to Investors Education and Protection Fund (IEPF).

FY	Date of Declaration of Dividend	Proposed Date for transfer to IEPF*
2010-2011	26.08.2011	25.10.2018
2011-2012	24.08.2012	23.10.2019
2012-2013	23.08.2013	22.10.2020
2013-2014	22.08.2014	21.10.2021
2014-2015	22.08.2015	21.10.2022
2015-2016	13.03.2016	12.05.2023

* Indicative dates. Actual dates may vary.

In accordance with Regulation 39(4) read with Schedule VI of SEBI LODR, 2015, IFGL opened an Unclaimed Suspense Demat Account with HDFC Bank Limited and all Equity Shares in physical form lying unclaimed pursuant to Public/Rights Issues of IFGL as well as by erstwhile Indo Flogates Limited, dematerialised and credited to said Demat Account.

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

Whenever any request for said unclaimed Shares was received, Equity Shares either in electronic or physical forms were issued to the claimant concerned after debiting said Demat Account.

	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding Shares in the Suspense Account lying at the beginning of the FY	52	4,488
Number of Shareholders who approached issuer for transfer of Shares from Suspense Account during the FY	2	210
Number of Shareholders to whom Shares were transferred from Suspense Account during the FY	2	210
Aggregate number of Shareholders and the outstanding Shares in the Suspense Account lying at the end of the FY	50	4,278

Recently on 20th September 2017, Unclaimed Dividend relating to FY 2009-2010 has been transferred to IEPF following provisions of Section 124(5) of the Companies Act, 2013 read with Rule 5 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Formalities are in the process of being completed for transfer of Equity Shares pertaining to Unclaimed Dividend of FY 2007-2008 and FY 2009-2010 to Demat Account of IEPF following provisions of Section 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 by 30th November 2017, details whereof will also be posted on Company's website : www.ifglref.com. Persons who have not yet claimed their above outstanding Dividends may send their requests to the Company. However claims in respect of Unclaimed Dividends already transferred to IEPF be lodged online in www.iepf.gov.in.

9. Status of Adoption of the Non Mandatory Requirements :

Non-Executive Chairman's Office/Separate persons to the post of Chairman and Managing Director :

IFGL had appointed Mr S K Bajoria as Executive Chairman and Mr P Bajoria as Managing Director. Following merger of IFGL becoming effective, the Company has appointed Mr S K Bajoria as Executive Chairman and Mr P Bajoria as Managing Director.

Audit Qualification

There is no qualification made by Statutory Auditors on Financial Statements of the FY under review. However emphasis on matter paragraph on Goodwill arising on merger and amortisation thereof has been included therein.

Other Items

Text in compliance of Regulation 33 of SEBI LODR, 2015 was published by IFGL in English and Vernacular Newspapers, filed with BSE and NSE and also hosted on its website. Internal Auditor of IFGL reported to Chairman and Managing Director and their Quarterly Reports were mandatorily placed before the Audit Committee for discussion. These practices will also be followed by the Company.

Steps wherever necessary were taken by IFGL to implement relevant and applicable provisions of the Act and Rules framed thereunder and also SEBI LODR, 2015. The Company's endeavor will be also to do so.

10. Auditors' Certificate on Corporate Governance

As required under Para E of Schedule V of SEBI LODR, 2015, Company's Statutory Auditors Certificate that the conditions of Corporate Governance has been complied by IFGL is attached.

Annexure 'A' to Directors' Report - Report on Corporate Governance *(Contd.)*

Annual Certificate under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

DECLARATION

As required under Regulation 34(3) read with Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that affirmation for compliance of Code of Conduct has been received from all the Board Members and Senior Management Personnel i.e. Employees in the grades of General Manager and above, of erstwhile IFGL Refractories Limited (IFGL) for financial year ended 31st March 2017. The Company has also adopted said Code w.e.f 5th August 2017, being the date on which amalgamation of said IFGL with the Company following passing of an Order on 3rd August 2017 by the Hon'ble National Company Law Tribunal, Kolkata Bench become effective.

Kolkata
9th September 2017

P Bajoria
(DIN : 00084031)
Managing Director

Independent Auditors' Certificate on Corporate Governance

TO THE MEMBERS OF IFGL EXPORTS LIMITED

1. This Certificate is issued in accordance with the terms of our engagement letter dated 1st November 2016.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the statutory auditors of IFGL EXPORTS LIMITED ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2017, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. 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 the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Service Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended 31st March 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)
A Bhattacharya
Partner
(Membership No. 054110)

Kolkata
9th October 2017

Annexure 'B' to Directors' Report - MGT 9

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration & Other Details

1.	CIN	U51909WB2007PLC118407
2.	Registration Date	07.09.2007
3.	Name of the Company	IFGL Exports Limited
4.	Category/Sub Category of the Company	Public Limited Company
5.	Address of the Registered Office & Contact Details	McLeod House, 3, Netaji Subhas Road, Kolkata 700 001 Tel : +91 33 40106100, Fax : +91 33 22430886 E-mail : ifgl.ho@ifgl.in
6.	Whether Listed Company	Following Order passed by the Hon'ble National Company Law Tribunal, Kolkata Bench on 3rd August 2017, IFGL Refractories Limited (CIN : L27202OR1989PLC002971) has amalgamated with the Company on and from 1st April 2016. Pursuant to the Scheme approved by the Hon'ble Tribunal, the Company will get its Equity Shares listed both on BSE Limited and National Stock Exchange of India Limited.
7.	Name, Address & Contact Details of the Registrar & Transfer Agent, if any	Maheshwari Datamatics Private Limited 6, Mangoe Lane (Surendra Mohan Ghosh Sarani) 2nd Floor, Kolkata 700 001 Tel : + 91 33 22482248, Fax : +91 33 22484787 E-mail : mdpldc@yahoo.com

II. Principal Business Activities of the Company (All the Business Activities contributing 10% or more of the Total Turnover of the Company)

Sl. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	Manufacture and Sale of Refractory Mortars, Refractory Ceramic Products etc	2391	91.90
2.	Trading	—	6.43

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
1.	Bajoria Holdings Private Limited, India	U67120WB1983PTC036590	Holding Company	52.93 (held in erstwhile IFGL Refractories Limited)	2(46)
2.	IFGL Worldwide Holdings Limited, Isle of Man	NA	Subsidiary Company	100	2(87)
3.	IFGL Monocon Holdings Limited, UK	NA	Step down Subsidiary	100	2(87)
4.	Monocon International Refractories Limited, UK	NA	Step down Subsidiary	100	2(87)
5.	Monocon Overseas Limited, UK	NA	Step down Subsidiary	100	2(87)
6.	Mono Ceramics Inc., USA	NA	Step down Subsidiary	100	2(87)
7.	Monotec Refratarios Ltda, Brazil	NA	Step down Subsidiary	95	2(87)

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
8.	Tianjin Monocon Refractories Company Limited, PRC	NA	Step down Subsidiary	100	2(87)
9.	Tianjin Monocon Aluminious Refractories Company Limited, PRC	NA	Step down Subsidiary	100	2(87)
10.	Goricon Metallurgical Services Limited, UK	NA	Step down Subsidiary	100	2(87)
11.	IFGL GmbH, Germany	NA	Step down Subsidiary	100	2(87)
12.	Hofmann Ceramic GmbH, Germany	NA	Step down Subsidiary	100	2(87)
13.	Hofmann GmbH & Co. OHG, Germany	NA	Step down Subsidiary	100	2(87)
14.	Hofmann Ceramic CZ s.r.o., Czech Republic	NA	Step down Subsidiary	98.78	2(87)
15.	Hofmann Ceramic Limited, UK	NA	Step down Subsidiary	100	2(87)
16.	Hofmann Ceramic LLC, USA	NA	Step down Subsidiary	100	2(87)
17.	Hofmann Pyemetric LLC, USA	NA	Step down Subsidiary	51	2(87)
18.	IFGL Inc., USA	NA	Step down Subsidiary	100	2(87)
19.	EI Ceramics LLC, USA	NA	Step down Subsidiary	100	2(87)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity of the Company) :

(a) (i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian	–	1,727,800	1,727,800	79.99	–	2,332,530	2,332,530	79.99	0.00
2. Foreign	–	432,000	432,000	20.00	–	583,200	583,200	20.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	–	2,159,800	2,159,800	99.99	–	2,915,730	2,915,730	99.99	0.00
B. Public Shareholding									
1. Institutions	–	–	–	–	–	–	–	–	–
2. Non Institutions	–	200	200	0.01	–	270	270	0.01	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	–	200	200	0.01	–	270	270	0.01	0.00
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	–	2,160,000	2,160,000	100.00	–	2,916,000	2,916,000	100.00	0.00

Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity of erstwhile IFGL Refractories Limited) :

(b) (i) Category wise Shareholding

Category of Shareholders	No. of Shares held at beginning of the Year				No. of Shares held at end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	1,348,275	–	1,348,275	3.90	1,348,275	–	1,348,275	3.90	0.00
b) Central Govt	–	–	–	–	–	–	–	–	–
c) State Govt(s)	–	–	–	–	–	–	–	–	–

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

Category of Shareholders	No. of Shares held at beginning of the Year				No. of Shares held at end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bodies Corporate	18,320,973	–	18,320,973	52.93	18,320,973	–	18,320,973	52.93	0.00
e) Banks/FI's	–	–	–	–	–	–	–	–	–
f) Any other	–	–	–	–	–	–	–	–	–
Sub Total (A)(1)	19,669,248	–	19,669,248	56.83	19,669,248	–	19,669,248	56.83	0.00
2. Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	5,006,956	–	5,006,956	14.47	5,006,956	–	5,006,956	14.47	0.00
d) Banks/FI's	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
Sub Total (A)(2)	5,006,956	–	5,006,956	14.47	5,006,956	–	5,006,956	14.47	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	24,676,204	–	24,676,204	71.30	24,676,204	–	24,676,204	71.30	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	641,087	10,280	651,367	1.88	1,471,081	10,280	1,481,361	4.28	2.40
b) Banks/FI's	–	2,605	2,605	0.01	13,409	2,605	16,014	0.05	0.04
c) Central Govt	291,880	–	291,880	0.84	–	–	–	–	(0.84)
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIs	25,140	1,300	26,440	0.08	–	1,300	1,300	0.00	(0.07)
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (Specify)									
- Foreign Portfolio Investors	18,100	–	18,100	0.05	41,603	–	41,603	0.12	0.07
Sub Total (B)(1)	976,207	14,185	990,392	2.86	1,526,093	14,185	1,540,278	4.45	1.59
2. Non Institutions									
a) Bodies Corporate									
i) Indian	2,587,686	39,730	2,627,416	7.59	2,479,028	39,660	2,518,688	7.27	(0.31)
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual Shareholders holding Nominal Share Capital upto ₹ 1 lac	3,204,654	1,497,175	4,701,829	13.59	2,636,698	1,467,495	4,104,193	11.86	(1.73)
ii) Individual Shareholders holding Nominal Share Capital in excess of ₹ 1 lac	1,269,531	24,000	1,293,531	3.74	1,388,988	24,000	1,412,988	4.08	0.35
c) Others (Specify)									
i) Non Resident Indians	214,048	3,635	217,683	0.63	218,905	3,635	222,540	0.64	0.01
ii) Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

Category of Shareholders	No. of Shares held at beginning of the Year				No. of Shares held at end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
iii) Foreign Nationals	–	–	–	–	–	–	–	–	–
iv) Clearing Members	103,417	–	103,417	0.30	135,360	–	135,360	0.39	0.09
v) Trusts	–	–	–	–	–	–	–	–	–
vi) Foreign Bodies – D R	–	–	–	–	–	–	–	–	–
vii) Foreign Portfolio Investors	–	–	–	–	–	–	–	–	–
viii) NBFCs registered with RBI	–	–	–	–	221	–	221	0.00	0.00
ix) Employee Trusts	–	–	–	–	–	–	–	–	–
x) Domestic Corporate Unclaimed Shares Account	–	–	–	–	–	–	–	–	–
xi) Investor Education and Protection Fund Authority	–	–	–	–	–	–	–	–	–
Sub Total (B)(2)	7,379,336	1,564,540	8,943,876	25.84	6,859,200	1,534,790	8,393,990	24.25	(1.59)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	8,355,543	1,578,725	9,934,268	28.70	8,385,293	1,548,975	9,934,268	28.70	(0.00)
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	33,031,747	1,578,725	34,610,472	100.00	33,061,497	1,548,975	34,610,472	100.00	0.00

(a) (ii) Shareholding of Promoters of the Company

Sl. No.	Shareholder's Name	Shareholding at beginning of the Year			Shareholding at end of the Year			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
	Indian Promoter							
	<i>Individuals/HUF</i>							
1.	Shishir Kumar Bajoria	526,600	24.38	–	710,910	24.38	–	–
2.	Smita Bajoria	200	0.01	–	270	0.01	–	–
3.	Mihir Bajoria	200	0.01	–	270	0.01	–	–
4.	S K Bajoria & Others (HUF)	200	0.01	–	270	0.01	–	–
	(A)	527,200	24.41	–	711,720	24.41	–	–
	<i>Bodies Corporate</i>							
5.	Bajoria Holdings Private Limited	98,800	4.57	–	133,380	4.57	–	–
6.	Bajoria Enterprises Limited	200	0.01	–	270	0.01	–	–
7.	IFGL Refractories Limited	1,101,600	51.00	51.00	1,487,160	51.00	51.00	–
	(B)	1,200,600	55.58	51.00	1,620,810	55.58	51.00	–
	Foreign Promoter							
	<i>Bodies Corporate</i>							
8.	Krosaki Harima Corporation, Japan (C)	432,000	20.00	–	583,200	20.00	–	–
	Total (A+B+C)	2,159,800	99.99	51.00	2,915,730	99.99	51.00	–

Annexure 'B' to Directors' Report - MGT 9 *(Contd.)*

(b) (ii) Shareholding of Promoters of erstwhile IFGL Refractories Limited

Sl. No.	Shareholder's Name	Shareholding at beginning of the Year			Shareholding at end of the Year			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
	Indian Promoter							
	<i>Individuals/HUF</i>							
1.	Shishir Kumar Bajoria	770,732	2.23	–	770,732	2.23	–	–
2.	Smita Bajoria	44,343	0.13	–	44,343	0.13	–	–
3.	Mihir Bajoria	218,475	0.63	–	218,475	0.63	–	–
4.	S K Bajoria & Others (HUF)	314,725	0.91	–	314,725	0.91	–	–
	(A)	1,348,275	3.90	–	1,348,275	3.90	–	–
	<i>Bodies Corporate</i>							
5.	Bajoria Holdings Private Limited (B)	18,320,973	52.93	–	18,320,973	52.93	–	–
	Foreign Promoter							
	<i>Bodies Corporate</i>							
6.	Krosaki Harima Corporation, Japan (C)	5,006,956	14.47	–	5,006,956	14.47	–	–
	Total (A+B+C)	24,676,204	71.30	–	24,676,204	71.30	–	–

(a) (iii) Change in Promoters' Shareholding of the Company (please specify, if there is no change)

Sl. No.		Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
a)	At the beginning of the year	2,159,800	99.99		
b)	Changes during the year (allotted as Bonus Shares)	755,930			
c)	At the end of the year			2,915,730	99.99

(b) (iii) Change in Promoters' Shareholding of erstwhile IFGL Refractories Limited (please specify, if there is no change)

Sl. No.		Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
a)	At the beginning of the year	24,676,204	71.30		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			24,676,204	71.30

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

(a) (iv) Shareholding Pattern of Top Ten Shareholders of the Company (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
a)	At the beginning of the year	–	–		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			–	–

b) (iv) Shareholding Pattern of Top Ten Shareholders of erstwhile IFGL Refractories Limited (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Dhanlakshmi Vyapaar Private Limited				
a)	At the beginning of the year	952,142	2.75		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			952,142	2.75
2.	Santosh Tour and Travels Private Limited				
a)	At the beginning of the year	701,618	2.03		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			701,618	2.03
3.	DSP Blackrock Micro Cap Fund*				
a)	At the beginning of the year	–	–		
b)	Changes during the year				
	Bought during the year	456,290	1.32	456,290	1.32
	Sold during the year	–	–	456,290	1.32
c)	At the end of the year			456,290	1.32
4.	L&T Mutual Fund Trustee Limited-L&T Emerging Businesses Fund*				
a)	At the beginning of the year	–	–		
b)	Changes during the year				
	Bought during the year	336,314	0.97	336,314	0.97
	Sold during the year	–	–	336,314	0.97
c)	At the end of the year			336,314	0.97
5.	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Balanced Advantage Fund				
a)	At the beginning of the year	295,100	0.85		
b)	Changes during the year				
	Bought during the year	164,175	0.47	459,275	1.32
	Sold during the year	(133,800)	(0.38)	325,475	0.94
c)	At the end of the year			325,475	0.94

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

Sl. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
6.	HDFC Small & Midcap Fund				
a)	At the beginning of the year	200,700	0.58		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			200,700	0.58
7.	India Infoline Limited*				
a)	At the beginning of the year	1	0.00		
b)	Changes during the year				
	Bought during the year	238,427	0.69	238,428	0.69
	Sold during the year	(122,414)	(0.35)	116,014	0.34
c)	At the end of the year			116,014	0.34
8.	Union KBC Small & Midcap Fund				
a)	At the beginning of the year	106,795	0.31		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			106,795	0.31
9.	Dotch Sales Private Limited*				
a)	At the beginning of the year	70,000	0.20		
b)	Changes during the year				
	Bought during the year	37,144	0.11	107,144	0.31
	Sold during the year	(7,144)	(0.02)	100,000	0.29
c)	At the end of the year			100,000	0.29
10.	Manan Finserve Private Limited*				
a)	At the beginning of the year	–	–		
b)	Changes during the year				
	Bought during the year	83,100	0.24	83,100	0.24
	Sold during the year	–	–	83,100	0.24
c)	At the end of the year			83,100	0.24
11.	Industrial Promotion and Investment Corporation of Orissa Limited#				
a)	At the beginning of the year	291,880	0.84		
b)	Changes during the year				
	Bought during the year	–	–	291,880	0.84
	Sold during the year	(291,880)	(0.84)	–	–
c)	At the end of the year			–	–
12.	Star Finvest Private Limited#				
a)	At the beginning of the year	110,000	0.32		
b)	Changes during the year				
	Bought during the year	92,486	0.27	202,486	0.59
	Sold during the year	(202,486)	(0.59)	–	–
c)	At the end of the year			–	–

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

Sl. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
13.	VLS Finance Limited#				
a)	At the beginning of the year	250,000	0.72		
b)	Changes during the year				
	Bought during the year	—	—	250,000	0.72
	Sold during the year	(172,459)	(0.50)	77,541	0.22
c)	At the end of the year			77,541	0.22
14.	Sangeeta Nirmal Bang#				
a)	At the beginning of the year	151,658	0.44		
b)	Changes during the year				
	Bought during the year	—	—	151,658	0.44
	Sold during the year	(151,658)	(0.44)	—	—
c)	At the end of the year			—	—
15.	Surender Kumar Gupta#				
a)	At the beginning of the year	119,799	0.35		
b)	Changes during the year				
	Bought during the year	—	—	119,799	0.35
	Sold during the year	(119,799)	(0.35)	—	—
c)	At the end of the year			—	—

* As on 31st March 2017

As on 1st April 2016

Note : Datewise details of increase/decrease hosted on Company's website i.e. www.ifglref.com.**(a) (v) Shareholding of Directors and Key Managerial Personnel of the Company**

Sl. No.	For each of the Directors and Key Managerial Person	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	S K Bajoria				
a)	At the beginning of the year	526,600	24.38		
b)	Changes during the year				
	Bought during the year (allotted as Bonus Shares)	184,310	—	710,910	24.38
	Sold during the year	—	—	710,910	24.38
c)	At the end of the year			710,910	24.38
2.	P Bajoria				
a)	At the beginning of the year	200	0.01		
	Bought during the year (allotted as Bonus Shares)	70	—	270	0.01
	Sold during the year	—	—	270	0.01
c)	At the end of the year			270	0.01

Annexure 'B' to Directors' Report - MGT 9 *(Contd.)*

(b) (v) Shareholding of Directors and Key Managerial Personnel of erstwhile IFGL Refractories Limited

Sl. No.	For each of the Directors and Key Managerial Person	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	S K Bajoria, Chairman				
a)	At the beginning of the year	770,732	2.23		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			770,732	2.23
2.	P Bajoria, Managing Director				
a)	At the beginning of the year	61,000	0.18		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			61,000	0.18
3.	D G Rajan, Independent Director				
a)	At the beginning of the year	390	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			390	0.00
4.	R Agarwal, Company Secretary				
a)	At the beginning of the year	2,319	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			2,319	0.00

(₹ in lacs)

V. Indebtedness – Indebtedness of the Company (merged entity) including Interest Outstanding/Accrued but not due for Payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	2,343.71	–	–	2,343.71
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	9.50	–	–	9.50
Total (i+ii+iii)	2,353.21	–	–	2,353.21
Change in Indebtedness during the Financial Year				
- Addition	4,767.54	–	–	4,767.54
- Reduction	9.50	–	–	9.50
Net Change	4,758.04	–	–	4,758.04
Indebtedness at the end of the Financial Year				
i) Principal Amount	7,111.25	–	–	7,111.25
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	4.28	–	–	4.28
Total (i+ii+iii)	7,115.53	–	–	7,115.53

Annexure 'B' to Directors' Report - MGT 9 (Contd.)

(₹ in lacs)

VI. Remuneration of Directors and Key Managerial Personnel of both the Company and erstwhile IFGL Refractories Limited

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		S K Bajoria Chairman	P Bajoria Managing Director	K Sarda Director & CEO	
1.	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	132.00	187.20	59.82	379.02
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	48.62*	41.00**	1.98	91.60
	c) Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	—	—	—	—
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission				
	- as % of Profit	28.00	22.00	—	50.00
	- Others, Specify	—	—	—	—
5.	Others, please specify				
	- Contribution to Provident Fund	15.84	18.72	2.55	37.11
	- Gratuity	11.61	16.47	1.03	29.11
	Total	236.07	285.39	65.38	586.84
	Ceiling as per the Act	@236.21	@@286.32		

* Including monetary value of Perquisites not taxable but excluding ₹ 0.29 on account of Motor Car.

** Including monetary value of Perquisites not taxable but excluding ₹ 0.40 on account of Motor Car.

@ As per Central Government approval letter dated 31st March 2017.

@@ As per Central Government approval letter dated 6th April 2017.

B. (i) Remuneration to Other Directors of the Company

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
1.	Independent Directors	K S B Sanyal		
	Fee for attending Board/Committee Meetings	0.50	—	0.50
	Commission	—	—	—
	Others, please specify	—	—	—
	Total (1)	0.50	—	0.50
2.	Other Non-Executive Directors		H Okumura	
	Fee for attending Board/Committee Meetings	—	0.20	0.20
	Commission	—	—	—
	Others, please specify	—	—	—
	Total (2)	—	0.20	0.20
	Total (1+2)	0.50	0.20	0.70
	Total Managerial Remuneration			0.70
	Overall Ceiling as per the Act	Sitting Fee paid is within limit prescribed at Section 197 of the Act		

Annexure 'B' to Directors' Report - MGT 9 *(Contd.)*

(₹ in lacs)

B. (ii) Remuneration to other directors of erstwhile IFGL Refractories Limited

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
1.	Independent Directors	D K Banerji	S Khasnobis	Prof S Munshi	D G Rajan	Prof B Ray	K S B Sanyal	Prof A N Sadhu*	
	Fee for attending Board/ Committee Meetings	0.85	0.70	0.80	1.35	0.75	1.80	–	6.25
	Commission	–	–	–	–	–	–	–	–
	Others, please specify	–	–	–	–	–	–	–	–
	Total (1)	0.85	0.70	0.80	1.35	0.75	1.80	–	6.25
2.	Other Non-Executive Directors	K Dalmia	H Okumura						
	Fee for attending Board/ Committee Meetings	–	0.40						0.40
	Commission	–	–						–
	Others, please specify	–	–						–
	Total (2)	–	0.40						0.40
	Total (1+2)	0.85	1.10	0.80	1.35	0.75	1.80	–	6.65
	Total Managerial Remuneration								6.65
	Overall Ceiling as per the Act	Sitting Fee paid is within limit prescribed at Section 197 of the Act							

*Waved his entitlement of Sitting Fees.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTM

Sl. No.	Particulars of Remuneration	Key Managerial Remuneration			Total Amount
		R Agarwal, Company Secretary	K Poddar, Chief Financial Officer	Mansi Damani, Company Secretary (upto 05.08.2017)	
1.	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	70.73	31.12	12.96	114.81
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	5.60*	0.66	0.56	6.82
	c) Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission				
	- as % of Profit	–	–	–	–
	- Others, specify	–	–	–	–
5.	Others, please specify				
	- Contribution to Provident Fund	1.96	0.22	0.81	2.99
	- Gratuity	1.20	0.06	0.32	1.58
	Total	79.49	32.06	14.65	126.20

* Including monetary value of Perquisites not taxable but excluding ₹ 0.22 on account of Motor Car.

Annexure 'B' to Directors' Report - MGT 9 *(Contd.)*

VII. Penalties/Punishment/Compounding of Offences of both the Company and erstwhile IFGL Refractories Limited

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

Annexure 'C' to Directors' Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for financial year ended on 31st March 2017

A. Conservation of Energy

Steps taken or impact on conservation of energy, steps taken for utilizing alternate sources of energy and capital investment on energy conservation equipments.

Both the Company and erstwhile IFGL Refractories Limited (IFGL) during FY 2016-2017 took steps for energy conservation, utilization of alternate energy and investment therefor in equipments. From time to time and as and when necessary, on continual basis, systems, equipments and appliances existing were replaced with those having higher energy efficiency. At several places, solar energy fittings were installed. Energy utilization was closely monitored and wastage avoided including by adopting wherever possible improved processes involving lesser consumption of energy.

Details of total energy consumption and energy consumption per unit of production are given in enclosed **Form A**.

B. Technology Absorption

Efforts made towards technology absorption, benefits derived therefrom, details of imported technologies and expenditure incurred on Research & Development

The Company has in-house Research and Development facility i.e. one each situated at manufacturing facility at Kalunga Industrial Estate, Odisha (India), Cincinnati, USA and Germany. Said R&D facilities work on improvement in product quality and performance, development of raw materials including quality up-gradation and substitutes, enhancement of production capacity and capability and other important areas like customers satisfaction, cost competitiveness, cost control etc. Issues faced by departments involved in production, quality control, application and others are referred and these facilities work on them and provide inputs thereon. These efforts and inputs received from time to time from various stakeholders including providers of technologies bring about and foster requisite desired advantages to keep pace with rapid changes taking place in dynamic market in the products segment the Company is operating in.

During last 3 FYs including FY 2016-2017, the Company have not imported any technology.

R&D activities are an integral part of the manufacturing activities carried out by the Company. Expenditure incurred on R&D are not captured separately unless substantial in nature.

C. Foreign Exchange Earnings and Outgo

Total Foreign Exchange used and earned :

(₹ in Millions)

1.	Foreign Exchange Outgo	
	i) CIF Value of Imports of Raw Materials, Stores and Spares, Trading Items and Capital Goods	716.58
	ii) Others	135.71
2.	Foreign Exchange Earnings	
	FOB Value of Exports	2,426.50

Annexure 'C' to Directors' Report *(Contd.)*

Form – A

Disclosure of particulars with respect to conservation of energy

	For the year ended 31st March 2017*	
	Unit at Kalunga Industrial Estate (Odisha)	Unit at Kandla SEZ (Gujarat)
A. Power & Fuel Consumption		
1. Electricity		
a) Purchased		
Units (KWH)	5,360,420	1,755,408
Total Amount (₹ in Millions)	33.89	10.69
Rate/Unit (₹)	6.32	6.09
b) Own Generation		
i) Through Diesel Generator		
Units (KWH)	259,740	11,264
Units per Ltr of Diesel Oil	2.96	2.08
Cost/Unit (₹)	19.71	28.31
ii) Through Steam Turbine/Generator		
Units (KWH)	Nil	Nil
Units per Ltr of Fuel Oil/Gas	Nil	Nil
Cost/Unit (₹)	Nil	Nil
2. Coal (Specify quality and where used)		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Average Rate	Nil	Nil
3. LDO		
Quantity (Kilo Ltr)	Nil	Nil
Total Cost (₹ in Millions)	Nil	Nil
Average Rate (₹/Ltr)	Nil	Nil
4. LPG		
Quantity (MT)	1,548.07	433.07
Total Cost (₹ in Millions)	64.30	13.71
Average Rate (₹/MT)	41,536.75	31,655.80
5. Others/Internal generation		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil
B. Consumption per unit of production		
Products-Refractories		
Electricity (KWH/Pc)	7.14	13.06
LDO (Ltrs/Pc)	Nil	Nil
Coal	Nil	Nil
LPG (Kgs/Pc)	2.06	3.22
HSD (Ltrs/Pc)	0.12	0.04

* Following merger of IFGL with the Company on and from 1st April 2016. Hence figures for FY 2015-2016 have not been given.

Annexure 'D' to Directors' Report

Statement (Form AOC 1) Containing Salient Features of Financial Statements of Subsidiaries as at 31st March 2017

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014] (₹ in lacs)

Subsidiary's Name and Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend	% of Shareholding
Subsidiary											
IFGL Worldwide Holdings Limited, Isle of Man (GBP)	5,161.92	4,590.62	4,938.57	—	—	—	318.22	—	318.22	—	100
Step Down Subsidiaries											
El Ceramics LLC, USA (USD)	909.92	1,857.75	5,690.61	2,922.94	—	11,739.75	1,669.85	545.94	1,123.91	—	100
Goricon Metallurgical Services Limited, UK (GBP)	48.77	407.74	476.29	19.77	—	96.40	36.78	7.44	29.34	—	100
Hofmann Ceramic CZ s.r.o., Czech Republic (Euro)*	47.60	(332.89)	253.60	538.90	—	903.04	130.58	24.87	105.71	—	98.78
Hofmann Ceramic GmbH, Germany (Euro)	179.11	2,418.48	3,213.34	718.98	—	7,350.89	300.12	86.83	213.29	—	100
Hofmann Ceramic LLC, USA (GBP)	14.47	56.81	77.70	6.42	—	—	19.85	6.69	13.16	159.61@	100
Hofmann Ceramic Limited, UK (GBP)	0.08	—	0.08	—	—	—	—	—	—	—	100
Hofmann GmbH & Co. OHG, Germany (Euro)	80.25	1,169.28	1,899.03	649.50	—	—	112.94	16.94	96.00	—	100
Hofmann Pymeric LLC, USA (GBP)	0.28	8.78	12.11	3.05	—	—	(1.68)	—	(1.68)	—	51
IFGL GmbH, Germany (Euro)	4,300.80	(79.39)	38.27	113.83	—	—	(0.04)	—	(0.04)	—	100
IFGL Inc., USA (USD)	2,601.28	3,567.43	16.44	1,040.51	—	—	405.54	(5.14)	410.68	—	100
IFGL Monocon Holdings Limited, UK (GBP)	4,064.50	—	—	20.32	—	—	—	—	—	—	100
Mono Ceramics Inc., USA (GBP)	2,118.46	3,404.95	4,533.59	1,204.54	—	5,908.61	264.95	35.82	229.13	—	100
Monocon International Refractories Limited, UK (GBP)	0.08	9,394.59	9,611.74	8,048.70	—	15,520.34	786.63	181.03	605.60	—	100
Monocon Overseas Limited, UK (GBP)	0.81	6,524.67	3.65	590.46	—	—	(0.11)	—	(0.11)	—	100
Monotec Refractories Ltda, Brazil (GBP)*	223.53	(223.53)	—	—	—	—	—	—	—	—	95
Tianjin Monocon Aluminous Refractories Company Limited, PRC (GBP)*	421.84	749.67	1,325.38	153.87	—	2,392.43	400.93	100.41	300.52	179.13 @@	100
Tianjin Monocon Refractories Company Limited, PRC (GBP)*	113.81	493.20	1,394.13	787.12	—	3,673.21	336.46	84.26	252.20	136.06 @@	100

@ Paid to Holding Company, Mono Ceramics Inc., USA

@@ Paid to Holding Company, IFGL Worldwide Holdings Limited, Isle of Man

* Reporting currencies of these subsidiaries have been converted in EURO/GBP for convenience

NOTES :

- Balance Sheet figures have been converted into Indian Rupees by applying year end Foreign Exchange Closing Rate of ₹ 68.89 equivalent to 1 Euro, ₹ 81.29 equivalent to 1 GBP and ₹ 65.03 equivalent to 1 USD. Profit and Loss figure have however been converted into Indian Rupees by using Average Exchange Rate of ₹ 73.49 equivalent to 1 Euro, ₹ 87.85 equivalent to 1 GBP and ₹ 66.95 equivalent to 1 USD.
- Investment exclude investments made in Subsidiary Companies.
- The Company neither had nor have Associates/Joint Ventures.
- Reporting period of Subsidiaries is mentioned at Note 2.2 on Consolidated Statement of Accounts.

Kolkata

9th September 2017

R Agarwal
Company Secretary

Kamal Sarda
Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

Annexure 'E' to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for Financial Year 2016-2017

1 & 2.	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and composition of CSR Committee.		This Annual Report provide for CSR activities pursued by IFGL Exports Limited (the Company) as well as IFGL Refractories Limited, amalgamated with the Company following passing of Order on 3rd August 2017 by the Hon'ble National Company Law Tribunal Kolkata Bench. During FY 2016-2017, CSR activities permissible were pursued through Income Tax registered IFGL Refractories Welfare Trust, also having recognition for deduction under Section 80G of the Income Tax Act, 1961. Both of the Companies adopted CSR Policy and constituted CSR Committees. CSR Policy of the Company presently in force is hosted on its website, www.ifglref.com . Members comprising of CSR Committees and further details there about are given in Corporate Governance Report at Para 3 thereof.				
3.	Average Net Profit of the Company for last three Financial Years		₹ 346.31 lacs				
4.	Prescribed CSR expenditure (two percent of the amount mentioned in item 3 above)		₹ 6.93 lacs				
5.	Details of CSR spent during the Financial Year :						
	a) Total amount to be spent for the Financial Year		₹ 72 lacs				
	b) Amount unspent, if any		Not applicable				
	c) Manner in which the amount spent during Financial Year						
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads : 1. Direct expenditure on projects or programs 2. Over heads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	2	3	4	5	6	7	8
1.	a) Priyadarshini UP School	Promotion of Eductaion	P.O. Kalunga, Dist. Sundergarh, Odisha	Open	₹ 7.79 lacs	*	Through Implementing Agency
	b) Kalunga Shilpanchala Bidyalaya			Open	₹ 7.06 lacs	*	
2.	a) Free Allopathy Clinic	Promotion of health care including preventive health care	Dist. Sundergarh, Odisha	Open	₹ 2.59 lacs	*	
	b) Free Homeopathic Clinic			Open	₹ 1.12 lacs	*	
	c) Free bed at Rajasthan Seva Sadan			Open	₹ 1.20 lacs	*	

Annexure 'E' to Directors' Report *(Contd.)*

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads : 1. Direct expenditure on projects or programs 2. Over heads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	2	3	4	5	6	7	8
3.	a) IDC Sulabh Souchalaya at Kalunga Industrial Estate	Promotion of sanitation	Dist. Sundergarh, Odisha	Open	₹ 1.31 lacs	*	Through Implementing Agency
	b) Souchalaya at Vedvyas UP School			Open	₹ 1.19 lacs	*	
	c) Souchalaya at Kilinga Oram Basti			Open	₹ 6.91 lacs	*	
	d) Souchalaya at Kilinga Village			Open	₹ 2.21 lacs	*	
	e) IDC Souchalaya at Kharatola Jhartarang			Open	₹ 2.51 lacs	*	
4.	Contribution to Enrico Piperno Tennis Trust	Promotion of Sport	Kolkata, India	Open	₹ 3.00 lacs	*	
5.	Others	Charitable Contributions	Kolkata/Rourkela, India	Open	₹ 2.83 lacs	*	

*Expenses incurred during FY 2016-2017 for on-going handholding.

6.	In case the Company has failed to spend the two percent of the Average Net Profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.	Not applicable
7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company.	Implementation and monitoring of CSR Policy has been in compliance with CSR objectives and policy of the Company as well as said IFGL.

Kolkata
9th September 2017

S K Bajoria
(DIN : 00084004)
Member, CSR Committee

Prof Bharati Ray
(DIN : 06965340)
Chairman, CSR Committee

Annexure 'F' to Directors' Report

FORM NO. MR 3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March 2017

[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

IFGL EXPORTS LIMITED

Regd Office : 3, Netaji Subhas Road

Kolkata - 700 001

(CIN : U51909WB2007PLC118407)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFGL REFRACTORIES LIMITED (IRL) or Transferor Company and IFGL EXPORTS LIMITED (IEL) or Transferee Company. This is a combined report of the merged entity and the names of IRL and IEL have been used herein interchangeably but relating to one and the same merged entity. Secretarial Audit was conducted in accordance with the Guidance Note issued by The Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's Management is adequate and appropriate for us to provide a basis for our opinion.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and read with the Statutory Auditors' Report on Financial Statements and Compliance of the conditions of Corporate Governance and also the information provided by the Company, its officers; agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the Company has, during the audit period covering the financial year ended on 31st March 2017 generally complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IFGL REFRACTORIES LIMITED and IFGL EXPORTS LIMITED for the financial year ended on 31st March 2017 according to the applicable provisions of :

1. The Companies Act, 2013 (the Act) and the Rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye Laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company - The Company had no FDI/ODI/ECB transactions during the year except in ordinary course of business.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company as during the year, the Transferee Company has been unlisted :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as replaced by the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Securities were issued by the Company as mentioned hereinafter.
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as replaced by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - No instances were reported during the year.
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - No instances were reported during the year.

Annexure 'F' to Directors' Report *(Contd.)*

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - The Company has duly appointed a SEBI authorized Category I Registrar and Share Transfer Agent as required under Law.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - No delisting was done during the year.
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - No Buyback was done during the year.
6. The following other laws specifically applicable to the Company :
- a) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
 - b) The Contract Labour (Regulation and Abolition) Act, 1970
 - c) Explosives Act, 1884
 - d) The Environment (Protection) Act, 1986
 - e) The Water (Prevention and Control of Pollution) Act, 1974

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India - which came into effect from 01.07.2015.

We further report that during the year under report, the following events took place :

- i) A Scheme for Amalgamation of IFGL Refractories Limited (Transferor Company or the Company or IRL) with IFGL Exports Limited (Transferee Company or the Subsidiary Company or IEL) u/s 230 and 232 of the Companies Act, 2013 and other applicable provisions of the said Act was approved by the Shareholders of the Transferor Company as per notice dated 20.02.2017 at the meeting convened and held on 03.04.2017, as per the orders of Hon'ble National Company Law Tribunal (NCLT), Kolkata Bench, Kolkata.
- ii) Salient features of said Scheme are as follows as per report of the Audit Committee of the Transferor Company :
 - a. Appointed date - 1st April 2016
 - b. All assets and liabilities of the Transferor Company shall get transferred to and become assets and liabilities of the Transferee Company.
 - c. All Equity Shares of the Transferee Company held by the Transferor Company will stand cancelled.
 - d. All Shareholders of the Transferor Company (other than the Transferor Company itself) will receive Shares of the Transferee Company as per Share Exchange Ratio approved by the Board of Directors of both Transferor and Transferee Companies. Accordingly 1 (one) Equity Share of the Transferee Company of face value of ₹ 10/- each credited as fully paid up for every 1 (one) Equity Share of face value of ₹ 10/- each credited as fully paid up held in the Transferor Company will be issued and allotted on the scheme becoming effective.
 - e. The new Equity Shares issued by amalgamated company pursuant to the Amalgamation shall after relevant approvals will be listed/admitted to trading on the BSE Limited and the National Stock Exchange of India Limited, where the Equity Shares of the Transferor Company are listed and/or admitted to trading.
 - f. Name of the amalgamated entity will change to "IFGL Refractories Limited".
 - g. The Registered Office of the amalgamated entity will be shifted to Sector - 'B', Kalunga Industrial Estate, Kalunga, Rourkela, Sundargarh (Odisha), PIN - 770 031.
 - h. Upon the Scheme becoming effective, the Company shall stand dissolved without winding up.
- iii) The Scheme was approved by the Hon'ble NCLT, Kolkata Bench, Kolkata vide its Order dated 03.08.2017.
- iv) The Order of the Hon'ble Bench was filed with the offices of the Registrar of Companies, West Bengal and Odisha via MCA Portal on 05.08.2017 and hence the effective date of the Scheme was 05.08.2017.
- v) Mr Kamal Sardar was appointed as CEO and CFO of IFGL Exports Limited (Merged Entity) on 05.08.2017.
- vi) The Company will be issuing 34,610,472 Equity Shares of ₹ 10/- each fully paid up to the Shareholders of IRL on the record date being 15.09.2017. These Shares will be listed both on BSE and NSE.
- vii) Other follow up actions to implement the Amalgamation scheme are under process.

Annexure 'F' to Directors' Report *(Contd.)*

- viii) The amount required to be spent on CSR activities was ₹ 7 lacs and a sum of ₹ 72 lacs has been spent during the financial year ended 31st March 2017. The whole amount has been given to the implementing agency.
- ix) Post Merger, the Authorised Share Capital of the Company is ₹ 630,000,000/- i.e. Authorised Share Capital of the Transferor Company has got added with its Authorised Share Capital.
- x) The Company allotted 756000 Equity Shares of ₹ 10/- each face value fully paid up on 06.08.2016 in the ratio of 3.5:10 i.e. three and a half Equity Shares for every ten Equity Shares held, by capitalisation of amounts lying to the credit of Share Premium Account.
- xi) No Dividend was declared for financial year ended 31st March 2009 and hence no amount was due to be transferred to the IEPF.
- xii) The Company has adopted the Dividend Distribution Policy as required under Regulation 43A of the LODR, 2015 as amended which inter-alia provides as follows :

"The Company's philosophy is to distribute maximum available profits in the opinion of the Board of Directors to the Shareholders"

- xiii) Following merger of IRL with the Company, all Subsidiaries of IRL have become Subsidiaries of the Company.

We further report that as far as we have been able to ascertain –

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
4. 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.
5. As informed to us, during the audit period the company has had no other events except those already informed to the Stock Exchanges as required under the Listing Regulations.

It is stated that the compliance of all the applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the management. We have relied on the representation made by the Company and its Officers for systems and mechanism set-up by the company for compliances under applicable laws. Our examination, on a test check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned Corporate Laws of the Union of India.

(S. M. Gupta)

Partner

S. M. Gupta & Co.

Company Secretaries

Firm Registration No. : P1993WB046600

FCS No : 896

CP No : 2053

Kolkata

9th September 2017

Encl : Annexure 'A' forming an integral part of this Report

Annexure 'F' to Directors' Report *(Contd.)*

ANNEXURE A

TO THE MEMBERS

IFGL EXPORTS LIMITED

Regd Office : 3, Netaji Subhas Road

Kolkata -700 001

(CIN : U51909WB2007PLC118407)

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audits.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the fairness of the contents of the secretarial records. The verification was done on test basis to ensure that facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the 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 is the responsibility of Management. Our examination was limited to the verification of procedure on test basis to the extent applicable to the Company.
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.

(S. M. Gupta)

Partner

S. M. Gupta & Co.

Company Secretaries

Firm Registration No. : P1993WB046600

FCS No : 896

CP No : 2053

Kolkata

9th September 2017

Independent Auditors' Report

**TO THE MEMBERS OF
IFGL EXPORTS LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of IFGL Exports Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the Financial Position, Financial Performance and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers Internal Financial Control relevant to the Company's preparation of the Standalone Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Financial Statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017, and its Profit and its Cash Flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 42 to the Standalone Financial Statements, relating to amalgamation of the IFGL Refractories Limited with the Company following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) by passing an Order on 3rd August 2017 pursuant to Sections 230 and 232 of the Companies Act, 2013, and the accounting treatment given thereto as per Accounting Standard 14 - Accounting for Amalgamations (AS-14) whereby the Company has recognised goodwill on amalgamation amounting to ₹ 26,699.46 lacs which shall be amortised over a period of 10 years.

Our opinion is not modified in respect of this matter.

Independent Auditors' Report *(Contd.)*

Report on Other Legal and Regulatory Requirements :

1. As required by Section 143 (3) of the Act, we report, to the extent applicable that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the Directors as on 31st March 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over Financial Reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigations on its financial position in its Financial Statements - Refer Note 32(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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the Standalone Financial Statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the books of account maintained by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a Statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

A Bhattacharya
Partner
(Membership No. 054110)

Kolkata
9th September 2017

Annexure 'A' to the Independent Auditor's Report

(Referred to in Paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the Internal Financial Controls over Financial Reporting of IFGL Exports Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. 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 over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were

Annexure 'A' to the Independent Auditor's Report *(Contd.)*

operating effectively as at 31st March 2017, 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.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

A Bhattacharya
Partner
(Membership No. 054110)

Kolkata
9th September 2017

Annexure 'B' to the Independent Auditor's Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' Section of our Report of even date)

- i)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - b) The major portions of the Fixed Assets were physically verified during the year by the Management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the Fixed Assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed provided to us, we report that with respect to immovable properties of acquired Land that are Freehold, the title deeds of such immovable properties are held in the name of the Company as at the Balance Sheet date except for the title deeds of the freehold Land which is in the name of IFGL Refractories Limited which merged with the Company as explained in Note 42. The Company is in process of registering the same in its name. In respect of immovable properties of Land that have been taken on lease and disclosed as Fixed Asset in the Financial Statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii) As explained to us, the inventories other than material lying with third parties (which have substantially been confirmed) were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and has no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 (for manufacture and sale of certain castable materials). We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of Statutory Dues :
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.

Annexure 'B' to the Independent Auditor's Report (Contd.)

- c) Details of dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on 31st March 2017 on account of disputes are given below :

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lacs)	Amount unpaid (₹ in lacs)
Sales Tax					
Central Sales Tax Act, 1956	Sales Tax	Sales Tax Tribunal	1995-1996	5.14	1.14
	Sales Tax	Additional Commissioner of Sales Tax	1997-1998	1.97	0.47
	Sales Tax	Assistant Commissioner of Sales Tax	2003-2004	0.25	0.25
	Sales Tax	Additional Commissioner of Sales Tax	1st July 2006 to 31st March 2011	24.04	8.49
Orissa Sales Tax Act, 1947	Sales Tax	Orissa Sales Tax Tribunal	1996-1997 and 1997-1998	39.91	39.91
	Sales Tax	Orissa High Court	1999-2000	0.11	0.11
	Total			71.42	50.37
Excise Duty and Service Tax					
Service Tax Rules, 1994	Service Tax	Joint Commissioner of Central Excise, Customs & Service Tax	2006-2007	1.54	1.54
Service Tax Rules, 1994	Service Tax	Commissioner of Central Excise (Appeals)	2007-2008	1.66	1.66
	Total			3.20	3.20
Income Tax					
The Income Tax Act, 1961	Income Tax Dues	Commissioner of Income Tax (Appeals)	Assessment Years 2012-2013 and 2013-2014	10.04	10.04
	Total			10.04	10.04

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to any banks. The Company has not taken any loans or borrowings from any financial institutions or Government. The Company has not taken any loans or borrowings from Government or has issued any debentures.
- ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the Term Loans were applied for the purposes for which they were raised.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements etc as required by the applicable accounting standards.
- xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company. Also refer Note 42 to the Financial Statements.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

A Bhattacharya
Partner
(Membership No. 054110)

Kolkata
9th September 2017

Balance Sheet as at 31st March 2017

(₹ in lacs)

	Note No.	As at 31st March 2017		As at 31st March 2016	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds :					
a) Share Capital	3	3,603.93		216.00	
b) Reserves and Surplus	4	43,807.53	47,411.46	2,396.49	2,612.49
2. Non-Current Liabilities :					
a) Long-Term Borrowings	5	440.49		471.95	
b) Long-Term Provisions	7	26.17	466.66	2.09	474.04
3. Current Liabilities :					
a) Short-Term Borrowings	8	6,130.42		1,242.51	
b) Trade Payables :					
i) Total Outstanding dues of Micro Enterprises and Small Enterprises	9.1	203.72		2.02	
ii) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	9	5,820.35		839.12	
c) Other Current Liabilities	10	864.41		666.83	
d) Short-Term Provisions	11	33.13	13,052.03	–	2,750.48
Total			60,930.15		5,837.01
II. ASSETS					
1. Non-Current Assets :					
a) Fixed Assets :					
i) Tangible Assets	12	7,124.05		3,106.46	
ii) Intangible Assets	13	24,084.07		3.19	
iii) Capital Work-in-Progress		85.42	31,293.54	37.25	3,146.90
b) Non-Current Investments	14		5,677.44		–
c) Deferred Tax Assets (Net)	6		456.54		–
d) Long-Term Loans and Advances	15		1,771.13		261.27
e) Other Non-Current Assets	16		4.25		–
2. Current Assets :					
a) Current Investments	17	1,100.00		–	
b) Inventories	18	4,429.08		454.32	
c) Trade Receivables	19	15,490.00		1,892.97	
d) Cash and Bank Balances	20	280.23		22.21	
e) Short-Term Loans and Advances	21	212.90		44.41	
f) Other Current Assets	22	215.04	21,727.25	14.93	2,428.84
Total			60,930.15		5,837.01

See accompanying Notes forming part of the Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Membership No. 054110

On behalf of the Board of Directors

Kolkata

9th September 2017

R Agarwal
Company Secretary

Kamal Sarda
Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

Statement of Profit and Loss for the year ended 31st March 2017

(₹ in lacs)

	Note No.	For the year ended 31st March 2017		For the year ended 31st March 2016	
I. REVENUE FROM OPERATIONS (GROSS)	23	39,156.91		4,652.69	
Less : Excise Duty		(1,755.74)		—	
Revenue from Operations (Net)			37,401.17		4,652.69
II. Other Income	24		164.66		4.10
III. Total Revenue (I + II)			37,565.83		4,656.79
IV. EXPENSES :					
Cost of Materials and Components Consumed	25	17,446.46		1,791.79	
Purchases of Stock-in-Trade	26	1,729.15		18.06	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(746.54)		32.55	
Employee Benefit Expenses	28	3,803.48		337.39	
Finance Costs	29	393.54		161.00	
Depreciation and Amortisation Expense	13.2	3,710.89		330.83	
Other Expenses	30	10,091.16		1,329.91	
Total Expenses			36,428.14		4,001.53
V. PROFIT BEFORE TAX (III-IV)			1,137.69		655.26
VI. Tax Expense :					
1) Current Tax Expense		242.80		133.60	
2) Minimum Alternate Tax (MAT) Credit		(242.80)		(133.60)	
3) Deferred Tax Credits (Net)		(600.98)	(600.98)	—	—
VII. PROFIT FOR THE YEAR (V-VI)			1,738.67		655.26
VIII. Earnings Per Share :					
1) Basic	31		4.82		22.47
2) Diluted	31		4.82		22.47

See accompanying Notes forming part of the Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Membership No. 054110

On behalf of the Board of Directors

Kolkata

9th September 2017

R Agarwal
Company Secretary**Kamal Sarda**
Director, Chief Executive Officer
and Chief Financial Officer**P Bajoria**
Managing Director**S K Bajoria**
Chairman

Cash Flow Statement for the year ended 31st March 2017

(₹ in lacs)

	For the year ended 31st March 2017		For the year ended 31st March 2016	
A . CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax		1,137.69		655.26
Adjustments for :				
Depreciation and Amortisation Expenses	3,710.89		330.83	
Finance Cost (Net of Finance Income)	274.17		157.05	
Liabilities no longer required Written Back	(38.03)		–	
Bad Debts/Advances Written Off	80.05		–	
Provision for Doubtful Debts and Advances	680.91		–	
Unrealised Foreign Exchange Loss/(Gain) (Net)	343.79		(18.66)	
Profit on Sale of Current Investment	(7.26)		–	
(Gain)/Loss on Sale/Discard of Assets (Net)	(22.71)	5,021.81	–	469.22
Operating Profit before Working Capital Changes		6,159.50		1,124.48
Adjustments for :				
Trade and Other Receivables	(5,015.43)		(218.85)	
Inventories	(1,542.90)		71.06	
Trade and Other Payables	831.10	(5,727.23)	228.97	81.18
Cash generated from Operations		432.27		1,205.66
Income Taxes Paid (Net)		(1,128.61)		(122.18)
Cash flows before Extra-ordinary Items		(696.34)		1,083.48
Net Cash (used in)/generated from Operating Activities (A)		(696.34)		1,083.48
B . CASH FLOW FROM INVESTING ACTIVITIES :				
Capital Expenditure on Fixed Assets including Capital Advances	(869.70)		(184.60)	
Proceeds from Sale of Fixed Assets	34.60		–	
Interest Received	119.37		3.97	
Funds placed in Long-Term Deposits with Bank	(4.25)		–	
Deposits with maturity more than 3 months and unclaimed dividends	(165.32)		–	
Proceeds from Sale of Current Investments	222.41		–	
Purchase of Current Investments	(500.00)	(1,162.89)	–	(180.63)
Net Cash used in Investing Activities (B)		(1,162.89)		(180.63)

Cash Flow Statement for the year ended 31st March 2017 (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017		For the year ended 31st March 2016	
C . CASH FLOW FROM FINANCING ACTIVITIES :				
Finance Costs	(393.54)		(161.00)	
Repayment of Long-Term Borrowings	(386.35)		(613.14)	
Proceeds/(Repayment) from Short-Term Borrowings	1,058.06	278.17	(114.96)	(889.10)
Net Cash generated from/(used in) Financing Activities (C)		278.17		(889.10)
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)		(1,581.06)		13.75
Cash and Cash Equivalents at the beginning of the year		22.21		8.46
Add : Pursuant to Scheme of Amalgamation (Refer Note 42)		1,673.76		—
Cash and Cash Equivalents at the end of the year (Refer Note 20)		114.91		22.21

Notes :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
2. Figures for the previous year have been re-arranged and re-grouped wherever necessary to conform with the current year's classification.
3. The amalgamation of IFGL Refractories Limited with the Company with effect from 1st April 2016 is a Non Cash Transaction. The details of Assets and Liabilities taken over by the Company pursuant to amalgamation and purchase consideration involved are disclosed at Note 42.

Notes referred to above form an integral part of these Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Membership No. 054110

On behalf of the Board of Directors

Kolkata

9th September 2017

R Agarwal
Company Secretary

Kamal Sarda
Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

Notes to the Financial Statements

(₹ in lacs)

1. GENERAL INFORMATION

IFGL Exports Limited (the "Company") is a Public Limited Company and was incorporated under the Companies Act, 1956. With effect from 1st April 2016, IFGL Refractories Limited has merged with the Company pursuant to a Scheme of Amalgamation approved by the National Company Law Tribunal, Kolkata (as detailed at Note 42). The Company is primarily engaged in the manufacturing, trading and selling of Refractory items used in Steel plants. Manufacturing facilities of the Company are located in Kandla Special Economic Zone (SEZ), Gujarat and Kalunga Industrial Estate near Rourkela, Odisha. The Company has operating Subsidiaries in Asia (China), in Europe (Germany and United Kingdom) and in North America (USA). The Company caters to both domestic and international markets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :

2.1 Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The Financial Statements have been prepared on accrual basis under the Historical Cost Convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year. All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of Assets and Liabilities. Refer is also made to Note 42.

2.2 Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) and the reported Income and Expenses during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

2.3 Fixed Assets (including Intangible Assets other than Goodwill arising on amalgamation) are stated at cost less accumulated depreciation/amortisation and impairment losses, if any. The Company capitalises all costs (Net of Refundable Credits) relating to acquisition and installation of Fixed Assets. For the unit in SEZ, Kandla, the Company has adopted the provisions of para 46/46A of Accounting Standard 11. The effects of changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement/settlement of long term foreign currency borrowings relating to acquisition of depreciable Fixed Assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. An impairment loss is recognised wherever the carrying value of the Fixed Assets exceeds its recoverable amount i.e. net selling price or value in use, whichever is higher. Insurance Spares that are specific to a Fixed Asset are capitalised along with the main asset. All other Spares are recognised as inventory.

2.4 Goodwill arising on amalgamation has been recognised in accordance with the approved scheme as detailed in Note 42. Said Goodwill has been amortised in accordance with the scheme for which the Company has estimated useful life of 10 years. Such Goodwill will be tested for impairment on annual basis and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The Company generally uses discounted cash flow method to determine the recoverable amount. Cash flow projections take into account past experience and represent management's best estimate about future developments.

2.5 Depreciation and Amortisation

Depreciation on Tangible Fixed Assets has been provided on the Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold Land is amortised over the duration of the lease. Intangible Assets (other than Goodwill arising on amalgamation and Computer Software) are amortised on Straight Line Method over a period of five years. Intangible Assets are amortised on Straight Line basis as follows :

Goodwill on amalgamation - 10 years (Refer Notes 2.4 and 42)

Computer Software - 2 to 5 years

The estimated useful life of the Intangible Assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

2.6 Inventories are valued at lower of Cost and Net Realisable Value after providing for obsolescence and other losses, where considered necessary. Cost is determined on the Weighted Average basis. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads.

2.7 Revenue from sale of products are exclusive of Sales Tax and returns and are recognised when significant risk and rewards of ownership of the goods is transferred to the buyer and the revenue is measurable at the time of sale and it is reasonable to expect

Notes to the Financial Statements (Contd.)

(₹ in lacs)

ultimate collection of the sale consideration. Revenue from services are recognised when services are rendered and related costs are incurred. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same. Interest Income is accounted for on accrual basis.

2.8 Current Investments are stated at lower of cost and fair value. Non-current Investments are carried individually at cost less provision for diminution, other than temporary in the value of such investments.

2.9 Current Tax is determined as the amount of tax payable in respect of taxable income for the year based on applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future Income Tax Liability, is considered as an asset if there is convincing evidence that the Company will pay normal Income Tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred Tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred Tax Liabilities are recognised for all timing differences. Deferred Tax Assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, Deferred Tax Assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred Tax Assets are reviewed at each Balance Sheet date for their realisability.

2.10 Transactions in Foreign Currencies are recognised at the rates existing at the time of such transactions. Gain or losses resulting from the settlement of such transactions are recognised in the Statement of Profit and Loss. Year end balances of monetary assets and liabilities denominated in foreign currencies are translated at applicable year end rates and the resultant differences is recognised in the Statement of Profit and Loss. Non monetary items at the Balance Sheet date are stated at Historical Cost. In case of Forward Exchange Contracts which are entered into to hedge the foreign currency risk of a trade receivable/trade payable recognised in these Financial Statements, premium or discount on such contracts are amortised over the life of the contract and exchange differences arising thereon in the reporting period are recognised in the Statement of Profit and Loss. Any Profit or Loss arising on cancellation or renewal of such a Forward Exchange Contracts is recognised as income or as expense in the period in which such cancellation or renewal is made. Forward Exchange Contracts which are arranged to hedge the foreign currency risk of a firm commitment or a highly probable forecast transaction is marked to market at the year end and the resulting losses, if any, are charged to the Statement of Profit and Loss. The gain, if any, based on the above evaluation, is not accounted for on grounds of prudence.

2.11 Borrowing Cost that are attributable to acquisition, construction or production of qualifying assets (assets which require substantial period of time to get ready for its intended use) are capitalised as part of cost of such assets. All other borrowing costs are recognised as expenses in the period they are incurred.

2.12 Employee Benefits :

- i) The undiscounted amount of Short-Term Employee Benefits (i.e. benefits payable within one year) is recognised in the period in which employee services are rendered.
- ii) Contributions towards Provident Fund are recognised as expense. Provident Fund contributions in respect of certain employees are made to Trust administered by erstwhile IFGL Refractories Limited; the interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, is to be made good by the Company. Provident Fund contributions in respect of other employees are made to fund managed by Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
- iii) Contribution under Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.
- iv) Contribution to Superannuation (Defined Contribution Plan) for certain employees is charged as expenses for the year.
- v) The Company also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees which is a Defined Contribution Plan.
- vi) Liability towards Gratuity, Superannuation (Defined Benefit Plan) covering eligible employees, is provided and funded on the basis of year end actuarial valuation.
- vii) Accrued liability towards compensated absence, covering eligible employees, evaluated on the basis of year end actuarial valuation is recognised as a charge.
- viii) Actuarial gains/losses arising under Defined Benefit Plans are recognised immediately in the Statement of Profit and Loss as income/expense for the year in which they occur.

2.13 Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognised 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 recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the Financial Statements.

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
3. SHARE CAPITAL :		
Authorised		
43,000,000 (31.03.2016 : 2,500,000) Equity Shares of ₹ 10/- each	4,300.00	250.00
2,000,000 (31.03.2016 : Nil) 5% Redeemable Preference Shares of ₹ 100/- each	2,000.00	–
Total	6,300.00	250.00
Issued, Subscribed and Fully Paid Up		
2,916,000 (31.03.2016 : 2,160,000) Equity Shares of ₹ 10/- each, fully paid up	291.60	216.00
Share Capital Suspense Account pursuant to Scheme of Amalgamation (Refer Notes 3.6 and 42)	3,312.33	–
Total	3,603.93	216.00

	Equity Shares	
	No. of Shares	₹ in lacs
3.1 Reconciliation of Number of Shares		
Shares outstanding on 01.04.2016	2,160,000	216.00
Bonus Shares issued during the year (Refer Note 3.3 below)	756,000	75.60
Shares outstanding on 31.03.2017	2,916,000	291.60

3.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a face value of ₹ 10/- each. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the Equity Shareholders will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts, in proportion to their Shareholding. The Company in the General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board.

3.3 Pursuant to the approval of the Shareholders in the Extra Ordinary General Meeting held on 2nd August 2016 :

- The Authorised Share Capital of the Company has increased from ₹ 25,000,000 to ₹ 30,000,000 divided into 3,000,000 Equity Shares of ₹ 10/- each. It will increase further to ₹ 430,000,000 on account of amalgamation of IFGL Refractories Limited with the Company as detailed in Note 42.
- The Company, on 6th August 2016, issued and allotted 756,000 Ordinary Shares of ₹ 10/- each, as fully paid up Bonus Shares in the proportion of 3.5 Bonus Shares of ₹ 10/- each for every existing 10 (ten) Equity Shares of ₹ 10/- each.

3.4 Shares held by the Holding Company and Subsidiaries of the Holding Company

Name of Shareholder	Nature of Shares	Relationship	As at 31st March 2017		As at 31st March 2016	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bajoria Holdings Private Limited (BHPL)	Equity	Ultimate Holding Company	133,380	4.57	98,800	4.57
IFGL Refractories Limited (on allotment of Equity Shares pursuant to amalgamation with the Company, these will stand cancelled)		Holding Company	1,487,160	51.00	1,101,600	51.00
Bajoria Enterprises Limited (BEL)		Fellow Subsidiary Company	270	0.01	200	0.01

Notes to the Financial Statements (Contd.)

(₹ in lacs)

3.5 Details of Shareholders holding more than 5% of aggregate shares in the Company

Name of Shareholder	Nature of Shares	Relationship	As at 31st March 2017		As at 31st March 2016	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
IFGL Refractories Limited (on allotment of Equity Shares pursuant to amalgamation with the Company, these will stand cancelled)	Equity	Holding Company	1,487,160	51.00	1,101,600	51.00
Shishir Kumar Bajoria		Indian Promoter	710,910	24.38	526,600	24.38
Krosaki Harima Corporation, Japan		Foreign Promoter	583,200	20.00	432,000	20.00

3.6 Share Capital Suspense

Pursuant to the Scheme of Amalgamation as detailed in Note 42, the Company shall be issuing and allotting 33,123,312 Equity Shares of ₹ 10/- each fully paid ignoring Equity Shares of the Company held by IFGL Refractories Limited. Pending allotment, corresponding amount has been kept under Share Capital Suspense and shall be transferred to Equity Share Capital of the Company on allotment of Shares. The record date fixed for the purpose is 15th September 2017.

	As at 31st March 2017		As at 31st March 2016	
4. RESERVES AND SURPLUS				
Securities Premium				
As at the beginning and end of the year	1,944.00		1,944.00	
Add : Pursuant to Scheme of Amalgamation (Refer Note 42)	39,747.97		—	
Less : Utilised for issue of Bonus Shares (Refer Note 3.3)	(75.60)	41,616.37	—	1,944.00
Surplus in the Statement of Profit and Loss				
Balance as at the beginning of the year	452.49		(202.77)	
Add : Profit for the year	1,738.67	2,191.16	655.26	452.49
Total		43,807.53		2,396.49

	As at 31st March 2017		As at 31st March 2016	
5. LONG-TERM BORROWINGS :				
Secured				
Term Loans				
From Banks				
- From Export Import Bank of India (EXIM Bank)				
a) Rupee Loan		—		347.65
b) Foreign Currency Loan		—		124.30
- From DBS Bank Limited		437.50		—
Other Loans (Vehicle Loans)				
- From ICICI Bank Limited		2.99		—
Total		440.49		471.95

Notes to the Financial Statements (Contd.)

(₹ in lacs)

5.1 Nature of Security and Terms of Repayment of Secured Borrowings :

- i) **Term Loans from Exim Bank** is secured by a first charge over entire moveable and immoveable Fixed Assets of the SEZ unit located in Kandla, both present and future and second charge on the entire Current Assets including Receivables, both present and future of the said unit.
- ii) **Both Rupee Loan and Foreign Currency Loan** are repayable in quarterly equal installments of ₹ 115.88 lacs and USD 0.62 lacs (including current maturities) at interest rate of 9.70% per annum for rupee loan and Libor + 4.50% per annum for Foreign Currency Loan.
- iii) **Term Loans from DBS Bank Limited** is secured by a first charge over entire moveable and immoveable Fixed Assets, both present and future and second charge on the entire Current Assets including Receivables, both present and future of SEZ unit located in Kandla of the Company.
- iv) **Vehicle Loan from ICICI Bank Limited** are secured by hypothecation of respective Vehicles. They are repayable over 1-2 years and interest rate of 9.94% - 9.95%.

	As at 31st March 2017	As at 31st March 2016
6. DEFERRED TAX (ASSETS)/LIABILITIES (NET) :		
Tax Impact of –		
Assets :		
Unabsorbed Depreciation (Refer Note 6.1 below)	(1,780.09)	–
Accrued Expenses deductible when paid	(265.85)	–
Liabilities :		
Difference between Tax Depreciation and Book Depreciation	1,589.40	–
Net (Asset)/Liability	(456.54)	–

- 6.1** Deferred Tax Assets on Unabsorbed Depreciation has been recognised based on virtual certainty that sufficient profits shall be available in future against which such assets shall be adjusted in future.

	As at 31st March 2017	As at 31st March 2016
7. LONG-TERM PROVISIONS		
Provision for Employee Benefits		
Compensated Absence	26.17	2.09
Total	26.17	2.09

	As at 31st March 2017	As at 31st March 2016
8. SHORT-TERM BORROWINGS :		
Secured		
Loans from Banks		
Working Capital Loans repayable on Demand		
- From State Bank of India	3,198.41	–
- From ICICI Bank Limited	961.13	762.40
- From DBS Bank Limited (Loan 1)	1,111.18	–
- From DBS Bank Limited (Loan 2)	859.70	480.11
Total	6,130.42	1,242.51

- 8.1** The Loans from State Bank of India and DBS Bank Limited (Loan 1) is secured by hypothecation of Stocks of Raw Materials, Stock in Process, Finished Goods, Consumables, Spares, Stores, Receivables and other Current Assets on pari passu basis and by a second charge over all Fixed Assets of the Company, situated at Sectors 'A' and 'B' of Kalunga Industrial Estate, near Rourkela, on pari passu basis.

- 8.2** The Loans from ICICI Bank Limited and DBS Bank Limited (Loan 2) are secured by First Pari passu charge on Current Assets and Receivables and second and subservient charge on moveable properties of SEZ unit located at Kandla of the Company.

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
9. TRADE PAYABLES :		
Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 9.1 below)	203.72	2.02
Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5,820.35	839.12
Total	6,024.07	841.14

9.1 Dues to the Micro Enterprises and Small Enterprises

Information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March 2017 are as under :

	As at 31st March 2017	As at 31st March 2016
1. The principal amount remaining unpaid to supplier as at the end of accounting year	203.72	2.02
2. The interest due thereon remaining unpaid to supplier as at the end of accounting year	9.96	—
3. The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year 2016-2017	—	—
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	9.96	—
5. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	—	—

	As at 31st March 2017	As at 31st March 2016
10. OTHER CURRENT LIABILITIES :		
Current Maturities of Long-Term Debt (Secured)	540.34	629.25
Unclaimed Dividends (Refer Note 10.1 below)	78.07	—
Other Payables (Refer Note 10.2 below)	246.00	37.58
Total	864.41	666.83

10.1 Represents Dividends unclaimed and payable to the Shareholders of IFGL Refractories Limited. There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

	As at 31st March 2017	As at 31st March 2016
10.2 Other Payables		
Advance from Customers	6.17	—
Payable for Purchase of Fixed Assets	29.37	18.81
Statutory Liabilities	182.76	14.16
Security Deposits Received	12.68	—
Liability for Gratuity	6.02	2.31
Others	9.00	2.30
Total	246.00	37.58

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
11. SHORT-TERM PROVISIONS :		
Provision for Employee Benefits		
- Compensated Absence	0.82	—
- Provident Fund (Refer Note 28.2)	—	—
Others :		
Sales Tax (Refer Note 11.1 below)	18.49	—
Entry Tax (Refer Note 11.1 below)	13.82	—
Total	33.13	—

	As at 31st March 2017		As at 31st March 2016	
	Sales Tax	Entry Tax	Sales Tax	Entry Tax
11.1 Sales Tax/Entry Tax				
Opening Balance (pursuant to Amalgamation)	18.49	13.82	—	—
Provision/Adjustment during the year	—	—	—	—
Provision Utilised/Paid during the year	—	—	—	—
Closing Balance	18.49	13.82	—	—

The above provision represents obligations that may materialise in respect of matters in appeal.

12. TANGIBLE ASSETS :

	GROSS BLOCK - AT COST						DEPRECIATION					NET BLOCK
	As at 1st April 2016	Pursuant to Scheme of Amalgamation (Refer Note 42)	Additions during the year	Deductions during the year	Effect of Foreign Currency Exchange Differences	Total as at 31st March 2017	Upto 1st April 2016	Pursuant to Scheme of Amalgamation (Refer Note 42)	For the year	Deductions during the year	Total upto 31st March 2017	As at 31st March 2017
OWN ASSETS												
Land (Leasehold) (Refer Note 12.1)	—	771.60	—	—	—	771.60	—	—	9.65	—	9.65	761.95
Land (Freehold) (Refer Note 12.2)	—	33.86	—	—	—	33.86	—	—	—	—	—	33.86
Buildings	1,178.89	1,396.65	99.44	—	—	2,674.98	171.03	636.60	88.38	—	896.01	1,778.97
Plant and Equipment	3,018.73	8,879.65	709.29	135.53	(0.77)	12,471.37	1,014.71	6,433.23	826.54	47.53	8,226.95	4,244.42
Furniture and Fixtures	61.28	116.67	2.82	6.71	—	174.06	22.12	96.38	11.13	6.71	122.92	51.14
Leasehold Improvements	—	48.91	—	—	—	48.91	—	28.59	9.03	—	37.62	11.29
Vehicles	19.36	284.50	47.23	65.05	—	286.04	16.15	164.65	25.15	57.05	148.90	137.14
Office Equipment	64.88	115.79	20.22	4.69	—	196.20	14.66	81.46	24.00	4.69	115.43	80.77
Computers	11.68	123.49	12.79	—	—	147.96	9.69	94.13	19.63	—	123.45	24.51
Total	4,354.82	11,771.12	891.79	211.98	(0.77)	16,804.98	1,248.36	7,535.04	1,013.51	115.98	9,680.93	7,124.05

Notes to the Financial Statements (Contd.)

(₹ in lacs)

OWN ASSETS	GROSS BLOCK - AT COST				DEPRECIATION			NET BLOCK
	As at 1st April 2015	Additions during the year	Effect of Foreign Currency Exchange Differences	Total as at 31st March 2016	Upto 1st April 2015	For the year	Total upto 31st March 2016	Total as at 31st March 2016
Buildings	1,178.89	–	–	1,178.89	131.55	39.48	171.03	1,007.86
Plant and Equipment	2,919.30	75.49	23.94	3,018.73	739.11	275.60	1,014.71	2,004.02
Furniture and Fixtures	61.28	–	–	61.28	15.66	6.46	22.12	39.16
Vehicles	19.36	–	–	19.36	15.41	0.74	16.15	3.21
Office Equipment	45.03	19.85	–	64.88	7.92	6.74	14.66	50.22
Computers	10.48	1.20	–	11.68	8.47	1.22	9.69	1.99
Total	4,234.34	96.54	23.94	4,354.82	918.12	330.24	1,248.36	3,106.46

12.1 Acquired under a lease of 99 years with a renewal option.

12.2 Title Deeds is in the name of IFGL Refractories Limited which has merged with the Company (Refer Note 42)

13. INTANGIBLE ASSETS :

OWN ASSETS (ACQUIRED)	GROSS BLOCK - AT COST				AMORTISATION				NET BLOCK
	As at 1st April 2016	Pursuant to Scheme of Amalga- mation (Refer Note 42)	Additions during the year	Total as at 31st March 2017	Upto 1st April 2016	Pursuant to Scheme of Amalga- mation (Refer Note 42)	For the year	Total upto 31st March 2017	As at 31st March 2017
Goodwill (arising on Amalgamation)	–	503.06	–	503.06	–	503.06	–	503.06	–
Goodwill (arising on Merger)*	–	–	26,699.46	26,699.46	–	–	2,669.95	2,669.95	24,029.51
Computer Software	6.70	84.75	47.64	139.09	3.51	53.59	27.43	84.53	54.56
Intellectual Property Rights (Technical Know-how) (Refer Note 13.1 below)	–	232.29	–	232.29	–	232.29	–	232.29	–
Total	6.70	820.10	26,747.10	27,573.90	3.51	788.94	2,697.38	3,489.83	24,084.07

* Represents Goodwill arising on amalgamation of IFGL Refractories Limited with the Company fully described in Note 42.

OWN ASSETS (ACQUIRED)	GROSS BLOCK - AT COST			AMORTISATION			NET BLOCK
	As at 1st April 2015	Additions during the year	Total as at 31st March 2016	Upto 1st April 2015	For the year	Total upto 31st March 2016	As at 31st March 2016
Computer Software	2.92	3.78	6.70	2.92	0.59	3.51	3.19
Total	2.92	3.78	6.70	2.92	0.59	3.51	3.19

13.1 Technical Know-how represents Technical Drawings, Designs etc. relating to manufacture of the Company's products and acquired pursuant to various agreements conferring the right to usage only.

	For the year ended 31st March 2017	For the year ended 31st March 2016
13.2 Depreciation and Amortisation Expense		
Depreciation on Tangible Assets	1,013.51	330.24
Amortisation of Intangible Assets	2,697.38	0.59
Total	3,710.89	330.83

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
14. NON-CURRENT INVESTMENTS		
Trade Investments-Long Term (Valued at Cost unless stated otherwise) (pursuant to Amalgamation) Refer Note 42		
Unquoted Equity Investments		
<i>Investment In Subsidiaries</i>		
- IFGL Worldwide Holdings Limited (6,350,000 Fully paid Equity Shares of GBP 1 each)	5,625.39	—
Other Investments (Valued at Cost unless stated otherwise)		
<i>Quoted</i>		
<i>Investments in Government or Trust Securities</i>		
- Investments in Debentures or Bonds (50 units of 8.09% Tax Free Bonds of Power Finance Corporation Limited of Face Value ₹ 104,100 each)	52.05	—
Total	5,677.44	—
Aggregate Amount of Quoted Investments	52.05	—
Aggregate Amount of Unquoted Investments	5,625.39	—
Market Value of Quoted Investments	53.79	—

	As at 31st March 2017	As at 31st March 2016
15. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	35.26	47.48
Security Deposits	119.90	22.47
MAT Credit Receivable	418.44	175.63
Provision for Taxation	(5,204.29)	(175.63)
Less : Advance Income Tax/Fringe Benefits Tax and Tax Deducted at Source	6,401.82	191.32
Total	1,771.13	261.27

	As at 31st March 2017	As at 31st March 2016
16. OTHER NON-CURRENT ASSETS		
Long-Term Deposits with Banks with original maturity period of more than 12 months*	4.25	—
Total	4.25	—

*Kept under lien by Bank as Margin Money against non fund based facilities provided.

	As at 31st March 2017	As at 31st March 2016
17. CURRENT INVESTMENTS (AT LOWER OF COST OR FAIR VALUE)		
Investments in Mutual Funds (pursuant to Amalgamation) Refer Note 42		
- Reliance Medium Term Fund - Direct Growth Plan - Growth Option (Quoted) 321,174.73 Units of ₹ 31.1357 each	100.00	—
- IDFC Corporate Bond Fund Direct Plan - Growth (Quoted) 9,614,624.438 Units of ₹ 10.4008 each	1,000.00	—
Total	1,100.00	—
Aggregate Market Value of Quoted Investments	1,189.78	—

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
18. INVENTORIES :		
Valued at lower of Cost and Net Realisable Value		
Raw Materials and Components [includes in transit ₹ 372.65 (31.03.2016 : ₹ 158.61)]	2,164.79	312.94
Work-in-Progress (Refer Note 18.1 below)	1,027.92	79.10
Finished Goods [includes in transit ₹ 177.73 (31.03.2016 : ₹ Nil)] (Refer Note 18.2 below)	752.13	9.42
Stock of Traded Goods (Refer Note 18.3 below)	173.08	—
Stores and Spares	311.16	52.86
Total	4,429.08	454.32

	As at 31st March 2017	As at 31st March 2016
18.1 Details of Work-in-Progress		
Shaped Refractories	743.51	79.10
Unshaped Refractories	284.41	—
Total	1,027.92	79.10

	As at 31st March 2017	As at 31st March 2016
18.2 Details of Finished Goods		
Shaped Refractories	684.14	9.42
Unshaped Refractories	67.99	—
Total	752.13	9.42

	As at 31st March 2017	As at 31st March 2016
18.3 Details of Stock of Traded Goods		
Operating Systems for Refractories	0.55	—
Others	172.53	—
Total	173.08	—

*As none of the other items individually exceed 5% of the total value of the stock, the details have not been provided.

	As at 31st March 2017	As at 31st March 2016
19. TRADE RECEIVABLES		
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	1,112.58	45.28
- Considered Doubtful	909.77	—
Less : Provision for Doubtful Receivables	(909.77)	—
Other Receivables		
- Considered Good	14,377.42	1,847.69
Total	15,490.00	1,892.97

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
20. CASH AND BANK BALANCES		
Balances with Banks		
- In Current Accounts	53.21	3.86
- Remittance in Transit	–	17.78
Cheques on Hand	49.13	–
Cash on Hand	12.57	0.57
Total Cash and Cash Equivalents	114.91	22.21
Other Bank Balances		
- On Unclaimed Dividend Accounts	78.07	–
- Deposits with original maturity of more than 3 months but less than 12 months*	87.25	–
Total	280.23	22.21

*Above Deposits are kept under lien by the Bank as Margin Money against non fund based facility provided.

	As at 31st March 2017	As at 31st March 2016
21. SHORT-TERM LOANS AND ADVANCES :		
Unsecured, Considered Good		
Loans and Advances to Related Party	28.69	–
Other Loans and Advances		
- Others (Refer Note 21.1)	126.25	39.02
- Prepaid Expenses	57.96	44.41
Total	212.90	44.41

	As at 31st March 2017	As at 31st March 2016
21.1 Loans and Advances-Others		
Advance to Suppliers	34.97	38.82
Insurance Claims Receivable	26.47	–
Advance for Expenses	64.81	0.20
Total	126.25	39.02

	As at 31st March 2017	As at 31st March 2016
22. OTHER CURRENT ASSETS		
Unsecured, Considered Good		
Interest Accrued on Fixed Deposits	1.40	0.02
Accrued Export Benefits	31.86	–
Balances with Excise Authorities etc.	181.78	14.91
Total	215.04	14.93

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017	For the year ended 31st March 2016
23. REVENUE FROM OPERATIONS :		
Revenue from Sale of Products (Gross) :		
Finished Goods (Refer Note 23.1 below)	36,128.86	4,604.56
Traded Goods (Refer Note 23.2 below)	2,406.70	46.19
	38,535.56	4,650.75
Less : Excise Duty	(1,755.74)	—
Revenue from Sale of Products (Net) :	36,779.82	4,650.75
Service Income (Refer Note 23.3 below)	603.07	—
Other Operating Revenue (Scrap Sales)	18.28	1.94
Total	37,401.17	4,652.69
	For the year ended 31st March 2017	For the year ended 31st March 2016
23.1 Details of Sales of Finished Goods		
Shaped Refractories	31,778.61	4,591.00
Unshaped Refractories	4,350.25	13.56
Total	36,128.86	4,604.56
	For the year ended 31st March 2017	For the year ended 31st March 2016
23.2 Details of Sales of Traded Goods		
Shaped Refractories	870.11	46.19
Unshaped Refractories	1,398.79	—
Others	137.80	—
Total	2,406.70	46.19
	For the year ended 31st March 2017	For the year ended 31st March 2016
23.3 Details of Service Income		
Application Services	603.07	—
Total	603.07	—
	For the year ended 31st March 2017	For the year ended 31st March 2016
24. OTHER INCOME :		
Interest Income (Refer Note 24.1)	119.37	3.95
Liabilities no longer required Written Back	38.03	—
Other Non Operating Income (Refer Note 24.2)	7.26	0.15
Total	164.66	4.10

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017	For the year ended 31st March 2016
24.1 Details of Interest Income		
Interest on Bank Deposits	82.88	–
Interest from Customers	34.07	–
Interest Others	2.42	3.95
Total	119.37	3.95

No Interest was capitalised during the year.

	For the year ended 31st March 2017	For the year ended 31st March 2016
24.2 Other Non Operating Income		
Gain on Sale of Current Investments	6.31	–
Sundry Receipts	0.95	0.15
Total	7.26	0.15

	For the year ended 31st March 2017	For the year ended 31st March 2016
25. COST OF MATERIALS AND COMPONENTS CONSUMED :		
Raw Materials (including Packing Materials) (Refer Notes 25.1 and 25.2 below)	17,446.46	1,791.79
Total	17,446.46	1,791.79

	For the year ended 31st March 2017	For the year ended 31st March 2016
25.1 Details of Materials Consumed		
Raw Materials		
Alumina	4,792.19	507.79
Graphite	1,563.84	387.69
Zirconia	2,802.53	–
Resin	2,129.33	317.89
Others	6,158.57	578.42
Total	17,446.46	1,791.79

	For the year ended 31st March 2017		For the year ended 31st March 2016	
	Value	%	Value	%
25.2 Cost of Imported and Indigenous Materials Consumed				
Raw Materials				
- Imported	6,941.48	39.79	1,076.89	60.10
- Indigenous	10,504.98	60.21	714.90	39.90
Total	17,446.46	100.00	1,791.79	100.00
Stores and Spares				
- Imported	75.71	9.19	12.11	7.80
- Indigenous	748.03	90.81	143.16	92.20
Total	823.74	100.00	155.27	100.00

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017	For the year ended 31st March 2016
26. DETAILS OF PURCHASES OF TRADED GOODS		
Shaped Refractories	42.15	18.06
Unshaped Refractories	1,687.00	–
Total	1,729.15	18.06

	For the year ended 31st March 2017	For the year ended 31st March 2016
27. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
Finished Goods and Stock of Traded Goods	9.42	2.38
Add : Pursuant to Amalgamation	523.35	–
Work-in-Progress	79.10	–
Add : Pursuant to Amalgamation	594.72	118.69
Less : Closing Stock		
Finished Goods and Stock of Traded Goods	925.21	9.42
Work-in-Progress	1,027.92	79.10
Total	(746.54)	32.55

	For the year ended 31st March 2017	For the year ended 31st March 2016
28. EMPLOYEE BENEFIT EXPENSES :		
Salaries, Wages and Bonus	3,287.56	304.66
Contribution to Provident and other Funds (Refer Notes 28.1 and 28.2 below)	389.92	20.77
Staff Welfare Expenses	126.00	11.96
Total	3,803.48	337.39

28.1 The Company has recognised in the Statement of Profit and Loss for the year ended 31st March 2017 an amount of ₹ 326.08 (31.03.2016 : ₹ 16.57) as expenses under Defined Contribution Plans.

28.2 Provident Fund (Funded)

Provident Fund contributions in respect of Employees of erstwhile IFGL Refractories Limited are made to an exempted Trust and it has the liability to Fund any shortfall on the yield of the Trust's investments over the administered interest rates on an annual basis. These administered interest rates are determined annually predominantly considering the social rather than economic factors. The contribution by the employer and employee together with the interest accumulated thereon are payable to the Employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the Employee. Based on the final guidance for measurement of Provident Fund liabilities issued by the Actuarial Society of India, the Company's liability at the year end of ₹ NIL (31.03.2016 : ₹ NIL) has been actuarially determined by an independent actuary and provided for.

The details of Fund and Planned Assets position is given below :

	For the year ended 31st March 2017	For the year ended 31st March 2016
Plan Assets at year end, at Fair Value	–	–
Present Value of Benefit Obligation at year end (Net of Planned Assets)	–	–
Cost of Shortfall in Interest Rate Guarantee	–	–
Assumptions used in determining the Present Value obligation of the Interest Rate Guarantee under the Deterministic Approach		
Discount Rate	6.90%	7.70%
Expected Guaranteed Interest Rate	8.60%	8.60%

However Employees of the Company are participating in the recognised Provident Fund managed by the Central Government.

Notes to the Financial Statements (Contd.)

(₹ in lacs)

28.3 Gratuity (Funded)

The Company provides for Gratuity, a Defined Benefit Retirement Plan covering eligible Employees. The Gratuity Trust Fund makes payments to vested Employees on Retirement, Death, Incapacitation or Termination of Employment. For Employees joining after 1st April 2003, the amount is based on the respective Employee's eligible Salary (Half Month's Salary) depending on the tenure of the service subject to a maximum amount as per The Payment of Gratuity Act, 1972. For employees joining before 1st April 2003 in erstwhile IFGL Refractories Limited, the amount is calculated similarly as per the Payment of Gratuity Act, 1972 or the Company's Scheme, whichever is higher. Vesting occurs on completion of five years of service. Liabilities with regard to the Gratuity plan are determined by Actuarial Valuation as set out in Note 2.11 (vi) above, based on which the Company makes contribution to the Fund using Projected Unit Credit Method. The most recent Actuarial Valuation of the Fund was carried out as at 31st March 2017.

28.4 Superannuation (Funded)

In keeping with the Superannuation Scheme (applicable to Employees joined before 31st March 2004 of the erstwhile IFGL Refractories Limited), Employees are entitled to Superannuation Benefit on Retirement/Death/Incapacitation/Termination. Superannuation Scheme was amended from Defined Benefit Plan to Defined Contribution Plan effective 1st April 2004 and the benefits under the Defined Benefit Plan were frozen as on 31st March 2004. Necessary formalities/approvals have been complied with/obtained. Also refer Notes 2.11 (iv) and (vi) for accounting policy relating to Superannuation.

28.5 Compensated Absence (Unfunded)

The Company provides for accumulated Leave Benefit for eligible Employees (i.e. Workmen) at the time of Retirement, Death, Incapacitation or Termination of Employment, subject to a maximum of one hundred and twenty days based on the last drawn Salary. Liabilities are determined by Actuarial Valuation as set out in Note 2.11 (vii) above using Projected Unit Credit Method.

28.6 Following are the further particulars with respect to Defined Benefit Plans of the Company for the year ended 31st March 2017 :

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016
a) Reconciliation of the Opening and Closing Balances of Present Value of Defined Benefit Obligation :						
Present Value of Obligation as at the beginning of the year (including Liabilities taken over pursuant to Amalgamation)	945.83	7.82	285.94	–	24.96	1.50
Service Cost	60.31	3.45	–	–	6.28	–
Interest Cost	62.77	0.61	15.78	–	1.78	–
Actuarial (Gains)/Losses	43.67	0.76	(24.79)	–	(5.22)	–
(Benefits Paid)	(261.29)	–	(162.03)	–	(0.81)	–
Present Value of Obligation as at the end of the year	851.29	12.64	114.90	–	26.99	1.50
b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets :						
Fair Value of Plan Assets at the beginning of the year (including Assets taken over pursuant to Amalgamation)	918.62	6.71	590.89	–	–	–
Expected Return on Plan Assets	68.97	0.73	41.81	–	–	–
Actuarial Gains/(Losses)	35.02	(0.06)	19.61	–	–	–
Contribution by the Company	83.95	2.95	–	–	–	–
(Benefits Paid)	(261.29)	–	(162.03)	–	–	–
Fair Value of Plan Assets at the end of the year	845.27	10.33	490.28	–	–	–

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016
c) Reconciliation of the Present Value of Defined Benefit Obligation and Fair Value of the Plan Assets :						
Fair Value of Plan Assets at the end of the year	845.27	10.33	490.28	–	–	–
Present Value of Obligation at the end of the year	851.29	12.64	114.90	–	26.99	1.50
Assets/(Liabilities) recognised in the Balance Sheet	(6.02)	(2.31)	375.38 #	–	(26.99)	(1.50)
# Actual amount of asset in the Balance Sheet ₹ Nil (31.03.2016 : ₹ Nil)						
d) Expense recognised in the Statement of Profit and Loss :						
Current Service Cost	60.31	3.45	–	–	6.28	–
Interest Cost	62.77	0.61	15.78	–	1.78	–
(Expected Return of Plan Assets)	(68.97)	(0.73)	(41.81)	–	–	–
Actuarial (Gain)/Loss	8.65	0.82	(44.40)	–	(5.22)	–
Total Expense as per the Actuarial Valuation	62.76	4.15	(70.43)	–	2.84	–
Actual Expenses Recognised	** 62.76	4.15	–	–	2.84 *	–

* The Expenses for the above benefit are recognised under 'Salary Wages and Bonus' on Note 28.

**The Expenses for the above benefit are recognised under 'Contribution to Funds' on Note 28.

	%	%	%	%	%	%
e) Category of Plan Assets :						
GOI Securities	1	–	3	NA	NA	NA
Bonds	–	–	–	NA	NA	NA
State Government/State Government Guaranteed Securities	–	–	–	NA	NA	NA
Units of Insurers	97	–	93	NA	NA	NA
Others (including Bank Balances)	2	100	4	NA	NA	NA
	100	100	100	NA	NA	NA
f) Principal Actuarial Assumptions :						
Discount Rate (per annum) (%)	6.90	7.70	6.90	NA	6.90	7.70
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA	6.00	6.00
Expected Rate of Return on Plan Assets (%)	8.30	9.00	8.20	NA	NA	NA
Remaining Working Life (in years)	18.33	18.32	9.74	NA	12.68	13.55
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	NA	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate
Method Used	Projected Unit Credit Method					
Actual Return on Plan Assets	103.99	0.67	61.42	NA	NA	NA

Notes to the Financial Statements (Contd.)

(₹ in lacs)

g) Other Disclosures :

Gratuity Scheme :

	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014	For the year ended 31st March 2013
Experience History					
Defined Benefit Obligation at end of the period	(851.29)	(12.64)	(7.82)	(4.34)	(1.48)
Plan Assets at end of the period	845.27	10.33	6.71	3.48	1.48
Funded Status	(6.02)	(2.31)	(1.11)	(0.86)	–
Experience Gain/(Loss) adjustments on Plan Liabilities	(5.40)	(0.62)	0.52	(0.51)	–
Experience Gain/(Loss) adjustments on Plan Assets	35.02	(0.06)	0.15	–	–
Actuarial Gain/(Loss) due to change on Assumptions	(38.27)	(0.14)	(1.15)	–	–

Superannuation Scheme :

	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014	For the year ended 31st March 2013
Experience History					
Defined Benefit Obligation at end of the period	(114.90)	(285.94)	(254.06)	(226.57)	(223.25)
Plan Assets at end of the period	490.28	590.89	564.82	497.47	458.77
Funded Status	375.38	304.95	310.77	270.90	235.52
Experience Gain/(Loss) adjustments on Plan Liabilities	27.74	(19.36)	(2.87)	3.09	2.64
Experience Gain/(Loss) adjustments on Plan Assets	19.61	(12.41)	33.32	1.61	7.48
Actuarial Gain/(Loss) due to change on Assumptions	(2.95)	(0.54)	(10.34)	10.92	(5.71)

Compensated Absence Scheme :

	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2015	For the year ended 31st March 2014	For the year ended 31st March 2013
Experience History					
Defined Benefit Obligation at end of the period	(26.99)	NA	NA	NA	NA
Plan Assets at end of the period	–	NA	NA	NA	NA
Funded Status	(26.99)	NA	NA	NA	NA
Experience Gain/(Loss) adjustments on Plan Liabilities	6.81	NA	NA	NA	NA
Experience Gain/(Loss) adjustments on Plan Assets	–	NA	NA	NA	NA
Actuarial Gain/(Loss) due to change on Assumptions	(1.41)	NA	NA	NA	NA

The basis used to determine overall Expected Return on Assets and the major categories of Plan Assets are as follows :

The major portion of the Assets is invested in Units of Insurers and Government Bonds. Based on the Asset allocation and prevailing yield rates on these asset classes, the Long Term estimate of the Expected Rate of Return on the Fund have been arrived at. Assumed Rate of Return on Assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

The estimate of future Salary increases takes into account Inflation, Seniority, Promotion and other relevant factors.

	For the year ended 31st March 2017	For the year ended 31st March 2016
29. FINANCE COSTS		
Interest	380.84	161.00
Other Borrowing Cost	12.70	–
Total	393.54	161.00

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017	For the year ended 31st March 2016
30. OTHER EXPENSES :		
Consumption of Stores and Spare Parts (Refer Note 25.2)	823.74	155.27
Power and Fuel	1,314.76	203.40
Rent	117.03	71.61
Rates and Taxes	18.56	0.68
Repairs :		
- Machinery	151.39	27.56
- Buildings	9.28	8.14
- Others	183.14	8.09
Insurance	71.21	7.20
Payment to Auditors (Refer Note 30.1 below)	32.82	7.57
Directors' Fees	6.65	—
Bank Charges	55.47	—
Computerisation Expenses	19.74	—
Provision for Doubtful Trade Receivables/Advances	680.91	—
Sundry Debit Balances/Advances Written Off	80.05	—
Travelling and Conveyance	625.60	35.13
Site Contractor Expenses	1,134.04	—
Printing and Stationery	21.81	—
Processing Charges	376.46	—
Corporate Social Responsibility Expenditure (Refer Note 30.2 below)	72.00	—
Professional Charges	403.23	87.08
Postage, Telephone, Telex etc.	54.14	—
Service Charges	121.13	—
Commission and Brokerage	648.80	359.19
Packing Expenses	923.47	166.72
Delivery and Forwarding Expenses	1,622.24	226.09
Net (Gain)/Loss on Sale of Fixed Assets	(22.71)	—
Net Loss/(Gain) on Foreign Exchange Rate Fluctuation and Translation (Refer Note 30.3 below)	63.93	(126.22)
Security Charges	44.92	—
Miscellaneous Expenses	437.35	92.40
Total	10,091.16	1,329.91

	For the year ended 31st March 2017	For the year ended 31st March 2016
30.1 Amounts Paid/Payable to Auditors		
As Auditors		
For Statutory Audit	15.50	3.50
For Tax Audit	4.00	0.50
For Limited Reviews	7.50	1.50
Other Certification Services	4.83	2.00
Reimbursement of Expenses	0.99	0.07

The above amount excludes Service Tax and Education Cess thereon.

30.2 As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend atleast 2% of its Average Net Profit for the immediately preceding 3 financial years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are promotion of education, promotion of health care including preventive health care, promotion of sanitation, promotion of sports and other charitable contributions. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to a Trust and utilised throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

a) Gross amount required to be spent by the Company during the year is ₹ 7.00

Notes to the Financial Statements (Contd.)

(₹ in lacs)

b) Amount spent during the year on

	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of any Asset	–	–	–
ii) On purposes other than i) above	72.00	–	72.00
Total	72.00	–	72.00

30.3 Net Loss of ₹ 63.93 (31.03.2016 : ₹ Nil) includes Provision for 'Mark to Market' losses on Derivatives of ₹ NIL (31.03.2016 : ₹ NIL)

	For the year ended 31st March 2017	For the year ended 31st March 2016
31. EARNINGS PER SHARE (EPS)-THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED EPS		
Profit after Tax attributable to the Equity Shareholders (A)	1,738.67	655.26
Weighted Average Number of Equity Shares including Share Capital Suspense (in numbers) (B)* (Refer Note 3.6)	36,039,312	2,916,000
Nominal Value of Equity Shares (in ₹)	10.00	10.00
Dilutive Potential Equity Shares (C)	–	–
Basic EPS (A/B)	4.82	22.47
Diluted EPS [(A/(B+C))]	4.82	22.47

* In accordance with Accounting Standard 20 on 'Earnings Per Share', basic and diluted Earnings Per Share is adjusted for Bonus Issue for previous period presented.

	As at 31st March 2017	As at 31st March 2016
32. CONTINGENT LIABILITIES		
Claims against the Company not acknowledged as Debts :		
i) Sales Tax matter under dispute relating to issues of applicability and classification (related payments ₹ 21.05)	62.93	–
ii) Income Tax matters under dispute relating to issues of applicability and determination	10.04	–
iii) Service Tax/Excise Duty matters under dispute relating to issues of applicability and classification	3.20	–

The Management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and result of operations.

The Company does not expect any reimbursements in respect of the above Contingent Liabilities.

	As at 31st March 2017	As at 31st March 2016
33. CAPITAL AND OTHER COMMITMENTS :		
33.1 Capital Commitments		
Estimated value of Contracts on Capital Account remaining to be executed (Net of Advances) and not provided for	101.32	171.63
Total	101.32	171.63

33.2 Derivative Instruments :

Derivatives related Commitments

Hedged Position-Forward Contracts

		As at 31st March 2017		As at 31st March 2016	
	Purpose	No. of Contracts	Amount	No. of Contracts	Amount
Forward Contracts to sell € 2.50 (31.03.2016 : 2.00)	Hedge of Highly Probable Foreign Currency Sales	2.00	192.58	2.00	148.32

Notes to the Financial Statements (Contd.)

(₹ in lacs)

Particulars of Unhedged Position	FX Currency	As at 31st March 2017		As at 31st March 2016	
		FX Amount (in lacs)	Total INR Equivalent	FX Amount (in lacs)	Total INR Equivalent
A. Amounts receivable in Foreign Currency					
Debtors Outstanding	\$	42.87	2,747.89	4.08	268.85
	€	133.62	9,100.73	21.07	1,562.78
	£	2.20	175.38	0.39	36.62
B. Amounts payable in Foreign Currency					
Import of Goods and Services	\$	12.03	788.93	0.74	49.56
	€	0.23	16.52	—	—
	£	0.67	54.76	0.11	10.54
Loans Payable	\$	37.42	2,454.82	10.60	707.90
	€	7.17	504.63	10.24	775.72
	£	28.73	2,028.93	0.36	35.09

34. RELATED PARTY DISCLOSURES :

Related Party Disclosures in keeping with Accounting Standard-18 prescribed under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

List of Related Parties

Where Control exists	
Holding Company	Bajoria Holdings Private Limited (with effect from 01.04.2016 - earlier it was Ultimate Holding Company)
	Erstwhile IFGL Refractories Limited (ceased to be Holding Company post Amalgamation)
Subsidiary Companies (including Step down Subsidiaries) with effect from 01.04.2016 - earlier they were Fellow Subsidiaries)	IFGL Worldwide Holdings Limited
	IFGL Monocon Holdings Limited
	Monocon International Refractories Limited
	Monocon Overseas Limited
	Mono Ceramics Inc.
	Monotec Refratarios Ltda
	Tianjin Monocon Refractories Company Limited
	Tianjin Monocon Aluminous Refractories Company Limited
	Goricon Metallurgical Services Limited
	IFGL GmbH
	Hofmann Ceramic GmbH
	Hofmann GmbH & Co. OHG
	Hofmann Ceramic CZ s.r.o.
	Hofmann Ceramic Limited
	Hofmann Ceramic LLC
	Hofmann Pyemetric LLC
	IFGL Inc.
	EI Ceramics LLC
Fellow Subsidiaries	Heritage Health Insurance TPA Private Limited
	Bajoria Financial Services Private Limited
	Ganges Art Gallery Private Limited
	Bajoria Enterprises Limited

Notes to the Financial Statements (Contd.)

(₹ in lacs)

Others :	
Key Management Personnel	S K Bajoria (Chairman of erstwhile IFGL Refractories Limited) P Bajoria (Managing Director of erstwhile IFGL Refractories Limited) Kamal Sarda (Director, Chief Executive Officer and Chief Financial Officer) Rajesh Agarwal (Company Secretary with effect from 05.08.2017) Kanhaiya Poddar (Chief Financial Officer till 05.08.2017)
Relatives of Key Management Personnel	Smita Bajoria (Wife of Chairman) Mihir Bajoria (Son of Chairman) Akshay Bajoria (Son of Managing Director)
Enterprises in which Key Management Personnel has significant influence	Heritage Insurance Brokers Private Limited Bajoria Service Providers LLP

	2016-2017	2015-2016
Particulars of Transactions during the year and year end balances		
I) With Holding Company : Bajoria Holdings Private Limited		
Rent for Office Premises	36.73	5.32
Expenses Reimbursement/Incurred	1.13	1.15
	37.86	6.47
Year End Balances (Trade Payable)	—	—
II) With Erstwhile Holding Company : IFGL Refractories Limited		
Sale of Goods	*	2,001.02
Purchase of Goods	*	90.59
Commission Expense	*	232.18
Expenses Reimbursed	*	7.86
	—	2,331.65
Year End Balances (Trade Payable)	—	188.06
Year End Balances (Trade Receivable)	—	701.53
III) With Subsidiaries including Step down Subsidiaries (Fellow Subsidiaries till 31.03.2016)		
Purchase of Raw Materials		
Monocon International Refractories Limited	46.25	—
Tianjin Monocon Refractories Company Limited	302.73	—
El Ceramics LLC	19.44	—
Hofmann Ceramic GmbH	2.40	—
	370.82	—
Purchase of Capital Goods		
Monocon International Refractories Limited	26.90	—
	26.90	—
Sale of Finished Goods		
Monocon International Refractories Limited	916.74	285.43
Mono Ceramics Inc.	150.26	—
Tianjin Monocon Aluminous Refractories Company Limited	2.38	—
Hofmann Ceramic GmbH	30.01	—
	1,099.39	285.43
Expenses Reimbursement/Incurred		
Monocon International Refractories Limited	0.74	—
	0.74	—
Expenses Recovered/Received		
Monocon International Refractories Limited	98.82	—
Hofmann Ceramic GmbH	11.25	—
	110.07	—

Notes to the Financial Statements (Contd.)

(₹ in lacs)

	2016-2017	2015-2016
Particulars of Transactions during the year and year end balances		
Year End Balances		
Trade Payables		
Monocon International Refractories Limited	86.02	—
Tianjin Monocon Refractories Company Limited	65.11	—
	151.13	—
Trade Receivables		
Monocon International Refractories Limited	166.58	26.57
Tianjin Monocon Refractories Company Limited	4.67	—
Hofmann Ceramic GmbH	16.19	—
Mono Ceramics Inc.	42.05	—
	229.49	26.57
Loans and Advances		
Hofmann Ceramic GmbH	4.50	—
Monocon International Refractories Limited	24.19	—
	28.69	—
Non-Current Investment		
IFGL Worldwide Holdings Limited	5,625.39	—
	5,625.39	—
IV) With Fellow Subsidiaries		
Expenses Reimbursement/Incurred		
Ganges Art Gallery Private Limited	0.62	—
Bajoria Enterprises Limited	12.00	—
	12.62	—
V) With Key Management Personnel		
Key Management Personnel Remuneration		
S K Bajoria (Chairman of erstwhile IFGL Refractories Limited)	208.07 @	—
P Bajoria (Managing Director of erstwhile IFGL Refractories Limited)	263.39 @	—
Kamal Sarda (Director, Chief Executive Officer and Chief Financial Officer)	65.38	55.16
Rajesh Agarwal (Company Secretary)	79.49	—
Kanhaiya Poddar (Chief Financial Officer till 05.08.2017)	32.06	—
	648.39	55.16
Director's Commission		
S K Bajoria (Chairman of erstwhile IFGL Refractories Limited)	28.00	—
P Bajoria (Managing Director of erstwhile IFGL Refractories Limited)	22.00	—
	50.00	—
Year End Balances		
Director's Commission		
S K Bajoria (Chairman of erstwhile IFGL Refractories Limited)	28.00	—
P Bajoria (Managing Director of erstwhile IFGL Refractories Limited)	22.00	—
	50.00	—
VI) With Relative of Key Management Personnel		
Remuneration		
Akshay Bajoria	23.07	—
	23.07	—

*Nil following the effect of merger.

@ Paid as per approvals of the Central Government dated 31st March 2017 and 6th April 2017 pertaining to erstwhile IFGL Refractories Limited.

35. OPERATING LEASE COMMITMENTS

The Company entered into Non-Cancelable Operating Lease Agreements in connection with certain Office Spaces. Tenure of Lease is for a period of 5 years. Terms of the Lease include Operating terms of Renewal, Re-imbursement of Maintenance Charges, Increase in Future Maintenance Charges, etc. The Future Minimum Lease Commitments of the Company are as follows :

Notes to the Financial Statements *(Contd.)*

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
Within 1 Year	31.41	–
More than 1 Year upto 5 Years	125.64	–
Total	157.05	–

Lease Rentals recognised in Note 29 under the heading "Rent" of the Statement of Profit and Loss amounting to ₹ 31.41 (31.03.2016 : ₹ Nil)

	For the year ended 31st March 2017	For the year ended 31st March 2016
36. CIF VALUE OF IMPORTS		
Raw Materials	6,945.34	894.44
Stores and Spares	118.70	18.14
Trading Items	16.64	–
Capital Goods	85.07	–

	For the year ended 31st March 2017	For the year ended 31st March 2016
37. EXPENDITURE IN FOREIGN CURRENCY		
Salaries and Wages	367.25	–
Travelling	229.15	5.70
Commission	419.22	63.95
Interest	67.23	22.74
Export Selling Expenses - Sea Freight	126.23	2.80
Export Selling Expenses - Others	21.14	–
Professional Fees	82.31	66.31
Others	44.58	–

	For the year ended 31st March 2017	For the year ended 31st March 2016
38. EARNINGS IN FOREIGN EXCHANGE		
FOB value of Exports	24,264.99	4,432.79

	For the year ended 31st March 2017	For the year ended 31st March 2016
39. DIVIDEND REMITTED IN FOREIGN CURRENCY		
a) Amount Remitted	–	–
b) Number of Non-Resident Shareholders	1	1
c) Number of Shares held by them	583,200	432,000

Notes to the Financial Statements (Contd.)

(₹ in lacs)

40. SEGMENT REPORTING

	For the year ended 31st March 2017	For the year ended 31st March 2016
Revenue from Operations		
India	16,083.04	23.98
Outside India		
Direct Exports	19,476.75	4,632.81
Indirect Exports	2,006.04	—
Total	37,565.83	4,656.79
Carrying amount of Assets		
India	51,382.72	3,944.04
Outside India		
Debtors-Direct Exports	9,223.31	1,892.97
Debtors-Indirect Exports	324.12	—
Total	60,930.15	5,837.01
Purchase of Tangible and Intangible Assets		
India	939.43	100.32
Outside India	—	—

41. DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R 308 (E) dated 31st March 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016, the denomination wise SBN's and others notes as per the Notifications is given below :

	SBNs*	Other denomination notes	Total
Closing Cash in Hand as on 8th November 2016	13.01	0.93	13.94
(+) Permitted Receipts	—	11.10	11.10
(-) Permitted Payments	0.09	8.25	8.34
(-) Amount deposited in Banks	12.92	—	12.92
Closing Cash in Hand as on 30th December 2016	—	3.78	3.78

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated the 8th November 2016.

42. AMALGAMATION WITH IFGL REFRACTORIES LIMITED (THE ERSTWHILE HOLDING COMPANY)

Hon'ble National Company Law Tribunal, Kolkata Bench (Tribunal) by passing an Order on 3rd August 2017 under Sections 230 and 232 of the Companies Act, 2013 has sanctioned a Scheme for Amalgamation (Scheme) for merger of IFGL Refractories Limited (IFGL) with the Company on and from 1st April 2016 being the appointed date. Scheme has become effective from 5th August 2017 following filing of Order of Hon'ble Tribunal with the Ministry of Corporate Affairs (Registrar of Companies) by the Company and IFGL on that date. The Scheme has accordingly been given effect to in these Financial Statements.

In accordance with the provisions of aforesaid Scheme :

- The Share swap ratio is 1:1 i.e. for 1 Equity Share held in IFGL Refractories Limited on the record date, the Company will issue and allot 1 Equity Share of the face value of ₹ 10/- each fully paid up.
- The Amalgamation has been accounted under the 'Purchase Method' as prescribed by Accounting Standard 14 - Accounting for Amalgamations. The accounting treatment has been given as under :
 - The assets and liabilities of the erstwhile IFGL Refractories Limited as at 1st April 2016 have been incorporated at the fair values in the Financial Statements of the Company.

Notes to the Financial Statements (Contd.)

(₹ in lacs)

- ii) All inter corporate balances and obligations (including investments held by the erstwhile IFGL Refractories Limited in the Company, advances, outstanding balances or other obligations) between the Company and the erstwhile IFGL Refractories Limited stands cancelled.
- c. The excess of the value of Equity Shares issued by the Company over the book value of assets and liabilities taken over by the Company and cancellation of Equity Shares held by the erstwhile IFGL Refractories Limited in the Company, amounting to ₹ 26,699.46 lacs has been recorded as goodwill arising on amalgamation.
- d. As the Equity Shares have not been allotted till 31st March 2017, the same has been disclosed under the Share Capital Suspense till the date of allotment of such shares to the Shareholders of the erstwhile IFGL Refractories Limited.
- e. Pursuant to approved Share swap ratio, the Company shall be issuing 34,610,472 Equity Shares of ₹ 10/- each (with a premium of ₹ 120 per share) to the Shareholders of IFGL Refractories Limited on the record date being 15th September 2017. Equity Shares of the Company will be listed both on BSE Limited and National Stock Exchange of India Limited. Pending allotment, an amount of ₹ 331,233,120 (ignoring Equity Shares of the Company already held by IFGL Refractories Limited) has been included in the Share Capital Suspense Account as at 31st March 2017.
- f. In accordance with the Scheme, the goodwill recorded on amalgamation has been amortised and the Company has estimated its useful life of 10 years. Accordingly, amortisation for the year amounting to ₹ 2,669.95 lacs has been recognised in the Statement of Profit and Loss.

The value of Goodwill has been determined as below :

Assets	
Non-Current Assets	10,070.74
Current Assets	14,983.60
Total Assets (A)	25,054.34
Liabilities	
Non-Current Liabilities	177.83
Current Liabilities	8,515.66
Total Liabilities (B)	8,693.49
Net Assets Taken Over (C)= (A - B)	16,360.85
Cancellation of Equity Shares held by the erstwhile IFGL Refractories Limited in the Company (D)	148.71
Purchase Consideration (E)	43,209.02
Goodwil arising on Amalgamation (G)= (E - C - D)	26,699.46

43. PREVIOUS YEAR FIGURES

Previous Year's figures have been re-grouped/re-classified wherever necessary to conform with the current year's classification. As indicated in Note 42, during the current year ended 31st March 2017, IFGL Refractories Limited has merged with the Company pursuant to the Scheme of Amalgamation approved by the NCLT, Kolkata with an appointed date of 1st April 2016. Therefore, the current year figures are strictly not comparable with that of the previous year.

44. PROPOSED DIVIDEND ON EQUITY SHARES

The Directors of the Company have recommended the payment of Final Dividend of ₹ 2/- per fully paid Equity Shares. This Proposed Dividend is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Equity Shares under Share Suspense Account shall also be entitled to such Dividend.

Signature to Note '1' to '44'

On behalf of the Board of Directors

Kolkata
9th September 2017

R Agarwal
Company Secretary

Kamal Sarda
Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

Independent Auditors' Report

TO THE MEMBERS OF IFGL EXPORTS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of IFGL Exports Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers Internal Financial Control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph(a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on financial information of the Subsidiaries referred to in the Other Matters paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31st March 2017, and their Consolidated Profit and their Consolidated Cash Flows for the year ended on that date.

Emphasis of Matters

We draw attention to Note 41 to the Consolidated Financial Statements, relating to amalgamation of the IFGL Refractories Limited with the Company following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata bench (NCLT) by passing an Order on 3rd August 2017 pursuant to Sections 230 and 232 of the Companies Act, 2013 and the accounting treatment given thereto as per Accounting Standard 14 - Accounting for Amalgamations (AS-14) whereby the Company has recognised goodwill on amalgamation amounting to ₹ 26,699.46 lacs which shall be amortised over a period of 10 years.

Our opinion is not modified in respect of this matter.

Independent Auditors' Report *(Contd.)*

Other Matters

We did not audit the Financial Information of 18 Subsidiaries whose Financial Information reflect Total Assets of ₹ 35,191.41 lacs as at 31st March 2017, Total Revenues of ₹ 36,597.41 lacs and Net Cash Inflows amounting to ₹ 1,542.67 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the other Financial Information of Subsidiaries referred in the Other Matters paragraph above we report, to the extent applicable, that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2017 taken on record by the Board of Directors of the Holding Company, none of the Directors of the Group Companies incorporated in India is disqualified as on 31st March 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the Auditors' Reports of the Holding Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's Internal Financial Controls over Financial Reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial Position of the Group - Refer Note 34(a) to Consolidated Financial Statements.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There have been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.
 - iv. The Holding Company has provided requisite disclosures in the Consolidated Financial Statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8th November 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the Management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the Consolidated Financial Statements and as produced to us and other auditors by the Management of the respective Group entities.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)

A Bhattacharya
Partner
(Membership No. 054110)

Kolkata
9th September 2017

Annexure 'A' to the Independent Auditors' Report

(Referred to in Paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March 2017, we have audited the Internal Financial Controls over Financial Reporting of IFGL Exports Limited (hereinafter referred to as "the Holding Company") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company 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 (the "Guidance Note") 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 the respective Company's Policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. 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 over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company is the only Company incorporated in India, has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2017, 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.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 302009E)

A Bhattacharya
Partner

(Membership No. 054110)

Kolkata
9th September 2017

Consolidated Balance Sheet as at 31st March 2017

(₹ in lacs)

	Note No.	As at 31st March 2017	
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds :			
a) Share Capital	4	3,603.93	
b) Reserves and Surplus	5	64,841.72	68,445.65
2. Minority Interest			3.05
3. Non-Current Liabilities :			
a) Long-Term Borrowings	6	1,436.31	
b) Deferred Tax Liabilities (Net)	7	628.66	
c) Long-Term Provisions	8	26.17	2,091.14
4. Current Liabilities :			
a) Short-Term Borrowings	9	6,130.42	
b) Trade Payables :			
i) Total Outstanding dues of Micro Enterprises and Small Enterprises	10	203.72	
ii) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	10	11,712.05	
c) Other Current Liabilities	11	1,113.89	
d) Short-Term Provisions	12	33.13	19,193.21
Total			89,733.05
II. ASSETS			
1. Non-Current Assets :			
a) Fixed Assets :			
i) Tangible Assets	13	12,707.62	
ii) Intangible Assets	14	24,296.12	
iii) Capital Work-in-Progress		158.70	37,162.44
b) Goodwill on Consolidation	15		10,890.89
c) Non-Current Investments	16		52.05
d) Long-Term Loans and Advances	17		1,465.74
e) Other Non-Current Assets	18		4.25
2. Current Assets :			
a) Current Investments	19	1,100.00	
b) Inventories	20	9,362.57	
c) Trade Receivables	21	22,833.82	
d) Cash and Bank Balances	22	5,603.94	
e) Short Term Loans and Advances	23	902.08	
f) Other Current Assets	24	355.27	40,157.68
Total			89,733.05

See accompanying Notes forming part of the Consolidated Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Membership No. 054110

On behalf of the Board of Directors

Kolkata
9th September 2017

R Agarwal
Company Secretary

Kamal Sarda
Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

Consolidated Statement of Profit and Loss for the year ended 31st March 2017

(₹ in lacs)

	Note No.	For the year ended 31st March 2017	
I. REVENUE FROM OPERATIONS (GROSS)	25	78,312.86	
Less : Excise Duty		(1,755.74)	
Revenue from Operations (Net)			76,557.12
II. Other Income	26		269.54
III. Total Revenue (I + II)			76,826.66
IV. EXPENSES :			
Cost of Materials and Components Consumed	27	30,981.58	
Purchases of Stock-in-Trade	28	6,717.27	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	29	(1,497.25)	
Employee Benefit Expenses	30	12,538.57	
Finance Costs	31	452.73	
Depreciation and Amortisation Expense	14.2	4,415.00	
Other Expenses	32	18,362.36	
Adjustment for items Capitalised		(26.90)	
Total Expenses			71,943.36
V. PROFIT BEFORE TAX (III-IV)			4,883.30
VI. Tax Expense :			
1) Current Tax Expense (Net of MAT Credit)		1,052.19	
2) Deferred Tax Reversals (Net)		(587.29)	464.90
VII. PROFIT AFTER TAX (V-VI)			4,418.40
VIII. Share of losses/(profits) attributable to Minority Interest			0.82
IX. PROFIT FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY (VII + VIII)			4,419.22
X. Earnings Per Share :			
1) Basic	33		12.26
2) Diluted	33		12.26

See accompanying Notes forming part of the Consolidated Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Membership No. 054110

On behalf of the Board of Directors

Kolkata

9th September 2017

R Agarwal
Company Secretary**Kamal Sarda**
Director, Chief Executive Officer
and Chief Financial Officer**P Bajoria**
Managing Director**S K Bajoria**
Chairman

Consolidated Cash Flow Statement for the year ended 31st March 2017

(₹ in lacs)

	For the year ended 31st March 2017	
A . CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax and Minority Interest		4,883.30
Adjustments for :		
Depreciation and Amortisation Expense	4,415.00	
Finance Costs (Net of Interest Income)	325.77	
Liability no longer required Written Back	(44.22)	
Loss on Sale/Discard of Assets (Net)	(22.71)	
Bad Debts/Advances Written Off	80.05	
Provision for Doubtful Trade and Other Receivables	963.93	
Profit on Sale of Investment (Net)	(6.31)	
Tax on Dividend	35.02	
Unrealised Exchange Loss (Net)	205.37	
Effect of change in Foreign Exchange Translation	(85.71)	5,866.19
Operating Profit before Working Capital Changes		10,749.49
Adjustments for :		
Trade and Other Receivables	(6,599.64)	
Inventories	(1,642.24)	
Trade and Other Payables	2,244.92	(5,996.96)
Cash generated from Operations		4,752.53
Income Taxes Paid (Net)		(1,968.97)
Cash flows before Extra-ordinary Items		2,783.56
Net Cash generated from Operating Activities (A)		2,783.56
B . CASH FLOW FROM INVESTING ACTIVITIES :		
Capital Expenditure on Fixed Assets including Capital Advances	(1,334.17)	
Proceeds from Sale of Fixed Assets	36.91	
Proceeds from Long-Term Deposits with Bank	64.21	
Deposits with maturity more than 3 months and unclaimed dividends	1,304.15	
Proceeds from Sale of Current Investments	222.41	
Purchase of Long-Term Investments	(500.00)	
Interest Received	183.36	(23.13)
Net Cash used in Investing Activities (B)		(23.13)

Consolidated Cash Flow Statement for the year ended 31st March 2017 (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017	
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of Long-Term Borrowings	(947.32)	
(Decrease)/Increase in cash credit facilities	1,040.76	
Finance Costs	(452.73)	
Dividend Paid	(19.50)	
Tax on Dividend	(35.02)	(413.81)
Net Cash used in Financing Activities (C)		(413.81)
D. EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY		(915.56)
Net Increase in Cash and Cash Equivalents (A+B+C+D)		1,431.06
Opening Balance		
Cash and Cash Equivalents at the beginning of the year		4,007.56
Cash and Cash Equivalents at the end of the year		5,438.62
Reconciliation of Cash and Cash Equivalents with the Balance Sheet : Cash and Cash Equivalents (Refer Note 22)		5,438.62

Notes :

- The above Consolidated Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.
- The amalgamation of IFGL Refractories Limited with the Company with effect from 1st April 2016 is a Non Cash Transaction. The details of Assets and Liabilities taken over by the Company pursuant to amalgamation and purchase consideration involved are disclosed at Note 41.

See accompanying Notes forming part of the Consolidated Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Membership No. 054110

Kolkata

9th September 2017

On behalf of the Board of Directors

R Agarwal

Company Secretary

Kamal Sarda

Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria

Managing Director

S K Bajoria

Chairman

Notes to the Consolidated Financial Statements

(₹ in lacs)

- The Consolidated Financial Statements (CFS) of the Company (i.e. IFGL Exports Limited) and its Subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The CFS have been prepared on accrual basis under the Historical Cost Convention. The Subsidiaries including Step down Subsidiaries as listed in Note 2.2 below have become the Subsidiaries of the Company with effect from 1st April 2016 due to amalgamation of IFGL Refractories Limited with the Company as stated in Note 41 of these Financial Statements.

The Company did not had any Subsidiary till 31st March 2016 and hence preparation of CFS was not applicable to it.

2. PRINCIPLES OF CONSOLIDATION :

- The CFS comprises of the Financial Statements of the Company and its Subsidiary Companies (Group). The CFS are in conformity with Accounting Standard 21 on "Consolidated Financial Statements" specified under Section 133 of the 2013 Act, and are prepared on the following basis :

- The Financial Statements of the Company and its Subsidiaries (listed below in Note 2.2) have been combined on a line-by-line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after adjustments/elimination of Intra Group Balances and Intra Group Transactions and resulting unrealised Profits/Losses.
- The CFS are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect, except as indicated in the Note 3 are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements.
- The excess of cost to the Company of its investment in the Subsidiaries (including Step down Subsidiaries) over the Company's portion of Equity of Subsidiaries at the dates they become Subsidiaries is recognised in the Financial Statements as Goodwill being an Asset in the CFS and is tested for impairment on an annual basis. Goodwill arising on consolidation is not amortised but tested for impairment.
- The translation of functional currencies into Indian Rupees (Reporting Currency) is performed for Equity in Foreign Subsidiary (being non-integral operation), Assets and Liabilities using the Closing Exchange Rate at the Balance Sheet date, for Revenues, Costs and Expenses using Average Exchange Rate prevailing during the year. The resultant exchange difference arising out of such translations is recognised as part of Equity (Foreign Currency Translation Reserve) by the Company until the disposal of investment.
- Minority Interest in the CFS is identified and recognised after taking into consideration :
 - The amount of Equity attributable to Minorities at the date on which investment in Subsidiary is made.
 - The Minority's share of movement in Equity since the date Parent – Subsidiary relationship came into existence.
 - Losses applicable to the Minority in excess of the Minority's Interest, if any, in the Subsidiary's Equity are allocated against the interest of the Group.
- Monotec Refratarios Ltda, Tianjin Monocon Refractories Company Limited and Tianjin Monocon Aluminous Refractories Company Limited (Step down Subsidiaries), each has an accounting period end of 31st December 2016. These Subsidiaries have been consolidated using the Financial Statements for the year ended on that date adjusted for movements upto 31st March 2017.

- The Subsidiaries (including Step down Subsidiaries) considered in the CFS are :

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Accounting Year Ended
IFGL Worldwide Holdings Limited (IWHL)	Isle of Man	100%	31st March
Step down Subsidiaries			
IFGL Monocon Holdings Limited (IMHL)	United Kingdom (UK)	100%	31st March
Tianjin Monocon Refractories Company Limited (TMRL)	Peoples Republic of China	100%	31st December
Tianjin Monocon Aluminous Refractories Company Limited (TMARL)	Peoples Republic of China	100%	31st December
Monotec Refratarios Ltda (MRL)	Brazil	95%	31st December
Monocon International Refractories Limited (MIRL)	UK	100%	31st March
Monocon Overseas Limited (MOL)	UK	100%	31st March
Mono Ceramics Inc. (MCI)	United States of America (USA)	100%	31st March
Goricon Metallurgical Services Limited (GMSL)	UK	100%	31st March
IFGL GmbH (IG)	Germany	100%	31st March
Hofmann Ceramic GmbH (HCG)	Germany	100%	31st March
Hofmann GmbH & Co. OHG (HGCO)	Germany	100%	31st March
Hofmann Ceramic CZ s.r.o. (HCC)	Czech Republic	98.78%	31st March
Hofmann Ceramic Limited (HCL)	UK	100%	31st March
Hofmann Ceramic LLC (HCLLC)	USA	100%	31st March
Hofmann Pyometric LLC (HPLLC)	USA	51%	31st March
IFGL Inc. (IFGL INC)	USA	100%	31st March
EI Ceramics LLC (EICLLC)	USA	100%	31st March

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

3. Accounting policies for the Subsidiaries are same as followed by the Company as indicated in Note 2 of the Company's Standalone Financial Statements for the year ended 31st March 2017, except as follows :

3.1 Fixed Assets of Operating Step down Overseas Subsidiaries are depreciated under Straight Line Method and also under Written Down Value Method, over the estimated useful lives (being lower than useful lives prescribed under Schedule II of the 2013 Act of India except in case of Buildings), as indicated below :

Building	Upto 50 Years
Plant and Machinery	3 - 10 Years
Fixtures and Fittings	1 - 10 Years
Office Equipments	1 - 4 Years
Computers	1 - 4 Years
Motor Vehicles	4 - 10 Years

Depreciation charge for the year and year end accumulated depreciation pertaining to the aforesaid Subsidiaries amount to ₹ 704.11 and ₹ 8,146.71 respectively.

Depreciation charge for the year and accumulated year end depreciation for such Subsidiaries as a proportion to the group are as follows :

	As at 31st March 2017
Depreciation	40.56%
Accumulated Depreciation	43.70%

3.2 For the purpose of Inventory Valuation FIFO Method is used by MCI and MIRL unlike the Company, where Weighted Average Method is used to determine the cost. The year end Inventory of such Subsidiaries as a proportion to the Group Inventory is 31%. However, had the Weighted Average Method being used at the Subsidiaries, the impact on Inventory Valuation is likely to be not material.

	As at 31st March 2017
4. SHARE CAPITAL :	
Authorised	
43,000,000 Equity Shares of ₹ 10/- each	4,300.00
2,000,000 5% Redeemable Preference Shares of ₹ 100/- each	2,000.00
Total	6,300.00
Issued, Subscribed and Fully Paid Up	
2,916,000 Equity Shares of ₹ 10/- each, fully paid up	291.60
Share Capital Suspense Account pursuant to Scheme of Amalgamation (Refer Notes 4.6 and 41)	3,312.33
Total	3,603.93

	Equity Shares	
	No. of Shares	₹ in lacs
4.1 Reconciliation of Number of Shares		
Shares outstanding on 01.04.2016	2,160,000	216.00
Bonus Shares issued during the year	756,000	75.60
Shares outstanding on 31.03.2017	2,916,000	291.60

4.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having a face value of ₹ 10/- each. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the Equity Shareholders will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts, in proportion to their Shareholding. The Company in the General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board.

4.3 Pursuant to the approval of the Shareholders in the Extra Ordinary General Meeting held on 2nd August 2016 :

- i) During the year, the Authorised Share Capital of the Company has increased from ₹ 25,000,000 to ₹ 30,000,000 divided into 3,000,000 Equity Shares of ₹ 10/- each. It will further increase to ₹ 430,000,000 on account of amalgamation of IFGL Refractories Limited with the Company as detailed at Note 41.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

- ii) The Company, on 6th August 2016, issued and allotted 756,000 Ordinary Shares of ₹ 10/- each, as fully paid up Bonus Shares in the proportion of 3.5 Bonus Shares of ₹ 10/- each for every existing 10 (ten) Ordinary Shares of ₹ 10/- each.

4.4 Share held by the Holding Company and Subsidiaries of the Holding Company

			As at 31st March 2017	
Name of Shareholder	Relationship	Nature of Shares	No. of Shares held	% of Holding
Bajoria Holdings Private Limited (BHPL)	Ultimate Holding Company	Equity	133,380	4.57
IFGL Refractories Limited (on allotment of Equity Shares pursuant to amalgamation with the Company, these will stand cancelled)	Holding Company		1,487,160	51.00
Bajoria Enterprises Limited (BEL)	Fellow Subsidiary Company		270	0.01

4.5 Details of Shareholders holding more than 5% of the aggregate shares in the Company

			As at 31st March 2017	
Name of Shareholder	Relationship	Nature of Shares	No. of Shares held	% of Holding
IFGL Refractories Limited (on allotment of Equity Shares pursuant to amalgamation with the Company, these will stand cancelled)	Holding Company	Equity	1,487,160	51.00
Shishir Kumar Bajoria	Indian Promoter		710,910	24.38
Krosaki Harima Corporation, Japan	Foreign Promoter		583,200	20.00

4.6 Share Capital Suspense

Pursuant to the Scheme of Amalgamation as detailed in Note 41, the Company shall be issuing and allotting 33,123,312 Equity Shares of ₹ 10/- each fully paid ignoring Shares already held by IFGL Refractories Limited. The said amount pending allotment has been kept under Share Capital Suspense and shall be transferred to Equity Share Capital on allotment of Shares. The record date fixed for the purpose is 15th September 2017.

		As at 31st March 2017	
5. RESERVES AND SURPLUS			
Foreign Exchange Translation Reserve			
Balance transferred pursuant to Amalgamation (Refer Note 41)		4,566.53	
Less : Net deduction during the year		(3,409.14)	1,157.39
Securities Premium			
As at the beginning and end of the year		—	
Add : Pursuant to Scheme of Amalgamation (Refer Note 41)		39,747.97	39,747.97
Surplus in the Statement of Profit and Loss			
Balance as at the beginning of the year		452.49	
Add : Balance transferred pursuant to Scheme of Amalgamation (Refer Note 41)		16,975.79	
Add : Transfer from Minority Interest pursuant to Scheme of Amalgamation (Refer Note 41)		2,088.86	
Add : Profit for the year		4,419.22	23,936.36
Total			64,841.72

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017
6. LONG-TERM BORROWINGS :	
Secured	
Term Loans	
From Banks	
- From Export Import Bank of India (Rupee Term Loan and Foreign Currency Term Loan) [Refer Note 6.1 (i) below]	–
- DBS Bank Limited [Refer Note 6.1 (ii) below]	437.47
- From Fifth Third Bank [Refer Note 6.1 (iii) below]	465.76
- From Volksbank Dill eG [Refer Note 6.1 (iv) below]	170.18
- From Commerzbank AG [Refer Note 6.1 (v) below]	357.95
Other Loans (Vehicles)	
- From Credium AS [Refer Note 6.1 (vi) below]	1.96
- From ICICI Bank Ltd [Refer Note 6.1 (vi) below]	2.99
Total	1,436.31

6.1 Nature of Security and Terms of Repayment of Secured Borrowings :

- i) **Term Loan from Export Import Bank of India** is secured by a first charge over entire moveable and immoveable Fixed Assets, both present and future and second charge on the entire Current Assets including Receivables, both present and future of the Special Economic Zone (SEZ) unit of the Company. The amount repayable during financial year 2017-2018 as at 31st March 2017 is lying in current maturities of long term debt – Refer Note 11.
- ii) **Term Loans from DBS Bank Limited** is secured by a first charge over entire moveable and immoveable Fixed Assets, both present and future and second charge on the entire Current Assets including Receivables, both present and future of the SEZ unit located in Kandla of the Company.
- iii) **Loans from Fifth Third Bank at Mono Ceramics Inc. and EI Ceramics LLC** are secured by all the assets of the Mono Ceramics Inc., the Company and its wholly owned Subsidiaries, Hofman Ceramic LLC, IFGL Inc., EI Ceramics LLC and its 51% owned subsidiary Hofmann Pyemetric LLC.
- iv) **Term Loan (Euro Currency) from Volksbank Dill eG of Hofmann GmbH & Co. OHG** is secured by :
 - a) Mortgage of small investments and investments in Hofmann CZ plant.
 - b) Specific Plant and Machineries of that Company.
- v) **Loan from Commerzbank AG** is secured by specific Plant and Machinery of Hofmann GmbH & Co. OHG.
- vi) **Vehicle Loans**
Vehicle Loans are secured by hypothecation of respective Vehicles.

	As at 31st March 2017
7. DEFERRED TAX LIABILITIES (NET) :	
Tax Impact of –	
Assets :	
Unabsorbed Depreciation (Refer Note 7.1 below)	(1,780.09)
Accrued Expenses deductible when paid	(112.68)
Liabilities :	
Difference between Tax Depreciation and Book Depreciation	2,521.43
Net Liability	628.66

- 7.1** Deferred Tax Assets on Unabsorbed Depreciation has been recognised based on virtual certainty that sufficient profits shall be available in future against which such assets shall be adjusted in future.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017
8. LONG-TERM PROVISIONS	
Provision for Employee Benefits	
Compensated Absence	26.17
Total	26.17

	As at 31st March 2017
9. SHORT-TERM BORROWINGS :	
Secured	
Loans from Banks	
Working Capital Loans repayable on Demand	
- From State Bank of India (Refer Note 9.1 below)	3,198.41
- From ICICI Bank Limited (Refer Note 9.2 below)	961.13
- From DBS Bank Limited (Refer Notes 9.1 and 9.2 below)	1,970.88
- From Commerzbank AG	—
Total	6,130.42

9.1 The Loan from State Bank of India and DBS Bank Limited is secured by hypothecation of Stocks of Raw Materials, Stock-in-Process, Finished Goods, Consumables, Spares, Stores, Receivables and other Current Assets on pari passu basis and by a second charge over all Fixed Assets of the Company, situated at Sectors 'A' and 'B' of Kalunga Industrial Estate, near Rourkela, on pari passu basis.

9.2 Cash Credit from ICICI Bank Limited and DBS Bank Limited are secured by :
Pari passu charge on Current Assets and Receivables and second and subservient charge on Moveable Properties of SEZ Unit of the Company.

	As at 31st March 2017
10. TRADE PAYABLES	
Outstanding dues of Micro Enterprises and Small Enterprises	203.72
Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	11,712.05
Total	11,915.77

	As at 31st March 2017
11. OTHER CURRENT LIABILITIES :	
Current Maturities of Long-Term Debt (Secured) [Refer Note 6.1(i)]	830.91
Unclaimed Dividends	78.07
Other Payables (Refer Note 11.1 below)	204.91
Total	1,113.89

	As at 31st March 2017
11.1 Other Payables	
Advance from Customers	6.30
Statutory Liabilities	179.91
Security Deposits Received	12.68
Liability for Gratuity	6.02
Total	204.91

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

		As at 31st March 2017
12. SHORT-TERM PROVISIONS :		
Provision for Employee Benefits		
- Compensated Absence		0.82
Others :		
Sales Tax (Refer Note 12.1 below)		18.49
Entry Tax (Refer Note 12.1 below)		13.82
Total		33.13

		As at 31st March 2017	
		Sales Tax	Entry Tax
12.1 Sales Tax/Entry Tax			
Opening Balance (pursuant to Amalgamation)		18.49	13.82
Provision during the year		—	—
Provision Utilised/Paid during the year		—	—
Closing Balance		18.49	13.82

The above provision represents obligations that may materialise in respect of matters in appeal.

13. TANGIBLE ASSETS :

	GROSS BLOCK - AT COST						DEPRECIATION							NET BLOCK
OWN ASSETS	As at 1st April 2016	Additions pursuant to Scheme of Amalgamation (Refer Note 41)	Additions during the year	Deductions during the year	Exchange Difference on Consolidation	Total as at 31st March 2017	Upto 1st April 2016	Additions pursuant to Scheme of Amalgama- tion (Refer Note 41)	For the year	Deductions during the year	Adjust- ments	Exchange Difference on Consoli- dation	Total upto 31st March 2017	As at 31st March 2017
Land (Leasehold) (Refer Note 13.1 below)	-	771.60	-	-	-	771.60	-	-	9.65	-	-	-	9.65	761.95
Land (Freehold) (Refer Note 13.2 below)	-	776.58	-	-	(62.83)	713.75	-	-	-	-	-	-	-	713.75
Buildings	1,178.89	5,871.74	99.76	-	(283.50)	6,866.89	171.03	2,330.26	197.97	-	-	(126.38)	2,572.88	4,294.01
Plant and Equipment	3,018.73	16,944.78	1,120.93	199.54	(650.44)	20,234.46	1,014.71	11,985.87	1,344.61	110.56	(2.17)	(467.48)	13,764.98	6,469.48
Furniture and Fixtures	61.28	483.69	3.16	6.71	(42.36)	499.06	22.12	398.31	18.50	-	-	(37.96)	400.97	98.09
Leasehold Improvements	-	48.91	-	-	-	48.91	-	28.59	9.03	6.71	-	-	30.91	18.00
Vehicles	19.36	501.99	68.14	89.13	(11.27)	489.09	16.15	328.16	40.75	79.80	-	(6.96)	298.30	190.79
Office Equipment	64.88	322.16	41.93	4.69	(16.08)	408.20	14.66	251.43	43.63	4.69	-	(12.82)	292.21	115.99
Computers	11.68	493.90	17.93	-	(48.86)	474.65	9.69	432.47	32.38	-	-	(45.45)	429.09	45.56
Total	4,354.82	26,215.35	1,351.85	300.07	(1,115.34)	30,506.61	1,248.36	15,755.09	1,696.52	201.76	(2.17)	(697.05)	17,798.99	12,707.62

13.1 Acquired under a lease of 99 years with a renewal option.

13.2 Title Deeds in the name of IFGL Refractories Limited which has merged with the Company (Refer Note 41).

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

14. INTANGIBLE ASSETS :

OWN ASSETS (ACQUIRED)	GROSS BLOCK - AT COST						AMORTISATION						NET BLOCK	
	As at 1st April 2016	Additions pursuant to Scheme of Amalgamation (Refer Note 41)	Additions during the year	Deductions during the year	Exchange Difference on Consolidation	Total as at 31st March 2017	Upto 1st April 2016	Additions pursuant to Scheme of Amalgama- tion (Refer Note 41)	For the year	Deductions during the year	Adjust- ments	Exchange Difference on Consoli- dation	Total upto 31st March 2017	As at 31st March 2017
Goodwill (arising on Amalgamation)	-	503.06	* 26,699.46	-	-	27,202.52	-	503.06	2,669.95	-	-	-	3,173.01	24,029.51
Goodwill (arising on Acquisition)	-	3.17	-	-	(1.36)	1.81	-	3.17	-	-	-	(1.36)	1.81	-
Computer Software	6.70	106.00	57.38	-	(2.62)	167.46	3.51	66.11	33.02	-	-	(1.51)	101.13	66.33
Intellectual Property Rights (Technical Know-how) (Refer Note 14.1 below)	-	481.12	-	-	(21.26)	459.86	-	245.50	15.51	-	-	(1.43)	259.58	200.28
Total	6.70	1,093.35	26,756.84	-	(25.24)	27,831.65	3.51	817.84	2,718.48	-	-	(4.30)	3,535.53	24,296.12

*Represents Goodwill arising on amalgamation of IFGL Refractories Limited with the Company fully described in Note 41.

14.1 Technical Know-how represents Technical Drawings, Designs etc. relating to manufacture of the Group's products and acquired pursuant to various agreements conferring the right to usage only.

	For the year ended 31st March 2017
14.2 Depreciation and Amortisation Expense	
Depreciation on Tangible Assets	1,696.52
Amortisation of Intangible Assets	2,718.48
Total	4,415.00

	As at 31st March 2017
15. GOODWILL ON CONSOLIDATION	
Balance transferred on account of Amalgamation	12,769.58
Add : Movement during the year	(1,878.69)
Closing Balance at the end of the year	10,890.89

	As at 31st March 2017
16. NON-CURRENT INVESTMENTS	
Unquoted Equity Investments	
Other Investments (Valued at Cost unless stated otherwise)	
<i>Quoted</i>	
- Investments in Debentures or Bonds (50 units 8.09% Tax Free Bonds of Power Finance Corporation Limited of Face Value ₹ 104,100 each)	52.05
Total	52.05
Aggregate Amount of Quoted Investments	52.05
Market Value of Quoted Investments	53.79

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	
17. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances		35.26
Minimum Alternate Tax Credit Receivable		407.96
Provision for Taxation	(5,887.06)	
Less : Advance Income Tax/Fringe Benefits Tax and Tax Deducted at Source	6,789.68	902.62
Security Deposits		119.90
Total		1,465.74

	As at 31st March 2017	
18. OTHER NON-CURRENT ASSETS		
Long-Term Deposits with Banks with original maturity period of more than 12 months*		4.25
Total		4.25

*Kept under lien by Bank as Margin Money against non fund based facilities provided.

	As at 31st March 2017	
19. CURRENT INVESTMENTS (AT LOWER OF COST OR FAIR VALUE)		
Investments in Mutual Funds (pursuant to Amalgamation) Refer Note 41		
- Reliance Medium Term Fund - Direct Growth Plan - Growth Option (Quoted) 321,174.73 Units of ₹ 31.1357 each (31.03.2016 : 966,030.233 Units of ₹ 31.0549 each)		100.00
- IDFC Corporate Bond Fund Direct Plan - Growth (Quoted) 9,614,624.438 Units of ₹ 10.4008 each (31.03.2016 : 5,002,801.569 Units of ₹ 9.9944 each)		1,000.00
Total		1,100.00
Aggregate Market Value of Quoted Investments		1,189.78

	As at 31st March 2017	
20. INVENTORIES		
Valued at lower of Cost and Net Realisable Value		
Raw Materials and Components (includes in transit)		3,501.33
Work-in-Progress		1,438.55
Finished Goods (includes in transit)		3,938.45
Stock of Traded Goods		173.08
Stores and Spares		311.16
Total		9,362.57

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	
21. TRADE RECEIVABLES		
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered Good	948.92	
- Considered Doubtful	1,306.69	
Less : Provision for Doubtful Receivables	(1,306.69)	948.92
Other Receivables		
- Considered Good		21,884.90
Total		22,833.82

	As at 31st March 2017	
22. CASH AND BANK BALANCES		
Balances with Banks		
In Current Accounts		5,357.73
Cheques on Hand		49.13
Cash on Hand		31.76
Total Cash and Cash Equivalents		5,438.62
Other Bank Balances		
- On Unclaimed Dividend Accounts		78.07
- Deposits with original maturity of more than 3 months but less than 12 months*		87.25
Total		5,603.94

* Above Deposits are kept under lien by the Bank as Margin Money against non fund based facilities provided.

	As at 31st March 2017	
23. SHORT-TERM LOANS AND ADVANCES :		
Unsecured, Considered Good		
Other Loans and Advances		
- Others (Refer Note 23.1 below)		638.48
- Prepaid Expenses		263.60
Total		902.08

	As at 31st March 2017	
23.1 Loans and Advances-Others		
Advance to Suppliers		34.98
Insurance Claims Receivable		56.47
Advance for Expenses		547.03
Total		638.48

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017
24. OTHER CURRENT ASSETS	
Unsecured, Considered Good	
Interest Accrued on Fixed Deposits	1.40
Accrued Export Benefits	31.86
Balances with Excise Authorities etc.	216.69
Security Deposits	105.32
Total	355.27

	For the year ended 31st March 2017
25. REVENUE FROM OPERATIONS	
Revenue from Sale of Products (Gross) :	
Finished Goods	67,951.80
Traded Goods	9,245.87
	77,197.67
Less : Excise Duty	(1,755.74)
Revenue from Sale of Products (Net) :	75,441.93
Service Income	1,086.43
Other Operating Revenue (Scrap Sales)	28.76
Total	76,557.12

	For the year ended 31st March 2017
26. OTHER INCOME :	
Interest Income (Refer Note 26.1 below)	126.96
Liabilities no longer required Written Back	44.22
Other Non Operating Income (Refer Note 26.2)	98.36
Total	269.54

	For the year ended 31st March 2017
26.1 Details of Interest Income	
Interest on Bank Deposits	90.47
Interest from Customers	34.07
Interest Others	2.42
Total	126.96

No Interest was capitalised during the year.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017
26.2 Other Non Operating Income	
Royalty	35.57
Gain on Sale of Investments	6.31
Sundry Receipts	56.48
Total	98.36

	For the year ended 31st March 2017
27. COST OF MATERIALS AND COMPONENTS CONSUMED	
Raw Materials (including Packing Material)	30,981.58
Total	30,981.58

	For the year ended 31st March 2017
28. DETAILS OF PURCHASES OF TRADED GOODS	
Shaped Refractories	5,501.67
Unshaped Refractories	312.61
Others	902.99
Total	6,717.27

	For the year ended 31st March 2017
29. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	
Opening Stock	
Finished Goods and Traded Goods	9.42
Work-in-Progress	79.10
Add : Additions to Inventories as on 1st April 2016 pursuant to Scheme of Amalgamation (Refer Note 41)	
Finished Goods and Traded Goods	3,504.13
Work-in-Progress	1,014.84
Less : Closing Stock	
Finished Goods and Traded Goods	4,112.43
Work-in-Progress	1,438.55
Adjustments for changes in Foreign Currency Rates	553.76
Total	(1,497.25)

	For the year ended 31st March 2017
30. EMPLOYEE BENEFIT EXPENSES :	
Salaries, Wages and Bonus	10,865.79
Contribution to Provident and other Funds (Refer Note 30.1)	896.99
Staff Welfare Expenses	775.79
Total	12,538.57

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

30.1 Provident Fund (Funded)

Provident Fund contributions in respect of certain Employees of erstwhile IFGL Refractories Limited are made to an exempted Trust and it has the liability to Fund any shortfall on the yield of the Trust's investments over the administered interest rates on an annual basis. These administered interest rates are determined annually predominantly considering the social rather than economic factors. The contribution by the employer and employee together with the interest accumulated thereon are payable to the Employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the Employee. Based on the final guidance for measurement of Provident Fund liabilities issued by the Actuarial Society of India, the Company's liability at the year end of ₹ NIL has been actuarially determined by an independent actuary using the Projected Unit Credit Method and provided for. However, Employees of the Company are participating in the recognised Provident Fund managed by Central Government. The Company has recognised in the Statement of Profit and Loss for the year ended 31st March 2017 an amount of ₹ 326.08 as expenses under Defined Contribution Plans.

30.2 Gratuity (Funded)

The Company provides for Gratuity, a Defined Benefit Retirement plan covering eligible Employees. The Gratuity Trust Fund makes payments to vested Employees on Retirement, Death, Incapacitation or Termination of Employment. For Employees joining after 1st April 2003, the amount is based on the respective Employee's eligible Salary (Half Month's Salary) depending on the tenure of the service subject to a maximum amount as per the Payment of Gratuity Act, 1972. For Employees joining before 1st April 2003 in erstwhile IFGL Refractories Limited, the amount is calculated similarly as per the Payment of Gratuity Act, 1972 or the Company's Scheme, whichever is higher. Vesting occurs on completion of five years of service. Liabilities with regard to the Gratuity plan are determined by Actuarial Valuation using the Projected Unit Credit Method, based on which the Company makes contribution to the Fund. The most recent Actuarial Valuation of the Fund was carried out as at 31st March 2017.

30.3 Superannuation (Funded)

In keeping with the Superannuation Scheme (applicable to Employees joined before 31st March 2004 of the erstwhile IFGL Refractories Limited), Employees are entitled to Superannuation Benefit on Retirement/Death/Incapacitation/Termination. Superannuation Scheme was amended from Defined Benefit Plan to Defined Contribution Plan effective 1st April 2004 and the benefits under the Defined Benefit Plan were frozen as on 31st March 2004. Necessary formalities/approvals have been complied with/obtained.

30.4 Compensated Absence (Unfunded)

The Company provides for accumulated Leave Benefit for eligible Employees (i.e. Workmen) at the time of Retirement, Death, Incapacitation or Termination of Employment, subject to a maximum of one hundred and twenty days based on the last drawn Salary. Liabilities are determined by Actuarial Valuation using the Projected Unit Credit Method.

30.5 Plans at Overseas Subsidiaries

Step down Subsidiaries operate a Defined Contribution Pension Scheme for the benefit of the Employees and contributions payable are charged to the Statement of Profit and Loss in the period they render the service. Only Goricon Metallurgical Services Limited (GMSL), a Step down Subsidiary operates a Defined Benefit Pension Scheme. Scheme Assets are measured by the actuary at fair values. Scheme Liabilities are measured on an actuarial basis using the Projected Unit Method and are discounted at appropriate high quality corporate bond rates. A net surplus is recognised only to the extent that it is recoverable by the Company. The current service costs and costs from settlements and curtailments are charged against Operating Profit. Past service costs are spread over the period until the benefit increases vest. Interest on the Scheme Liabilities and the Expected Return on Scheme Assets are included in Finance Costs. The Scheme is closed effective from 1st April 2003 to new members.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

30.6 Following are the further particulars with respect to Defined Benefit Plans of the Group for the year ended 31st March 2017 :

	Gratuity (Funded)	Superannuation (Funded)	Compensated Absence (Unfunded)	Step down Subsidiary Benefit Scheme (Funded)
	For the year ended 31st March 2017	For the year ended 31st March 2017	For the year ended 31st March 2017	For the year ended 31st March 2017
a) Reconciliation of the Opening and Closing Balances of Present Value of Defined Benefit Obligation :				
Present Value of Obligation as at the beginning of the year	945.83	285.94	24.96	2,459.87
Service Cost	60.31	–	6.28	–
Interest Cost	62.77	15.78	1.78	79.07
Actuarial (Gains)/Losses	43.67	(24.79)	(5.22)	448.91
(Benefits Paid)	(261.29)	(162.03)	(0.81)	(241.59)
Exchange Differences on Foreign Plans	–	–	–	(382.35)
Present Value of Obligation as at the end of the year	851.29	114.90	26.99	2,363.91
b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets :				
Fair Value of Plan Assets at the beginning of the year	918.62	590.89	–	3,273.48
Expected Return on Plan Assets	68.97	41.81	–	107.18
Actuarial (Gains)/Losses	35.02	19.61	–	624.61
Contribution by the Company	83.95	–	–	–
(Benefits Paid)	(261.29)	(162.03)	–	(241.59)
Exchange Differences on Foreign Plans	–	–	–	(516.96)
Fair Value of Plan Assets at the end of the year	845.27	490.28	–	3,246.72
c) Reconciliation of the Present Value of Defined Benefit Obligation and Fair Value of the Plan Assets :				
Fair Value of Plan Assets at the end of the year	845.27	490.28	–	3,246.72
Present Value of Obligation at the end of the year	851.29	114.90	26.99	2,363.91
Assets/(Liabilities) recognised in the Balance Sheet	(6.02)	375.38	(26.99)	882.81 #
# Actual amount of Asset in the Balance Sheet Nil (Previous Year Nil)				
d) Expense recognised in the Profit and Loss Statement :				
Current Service Cost	60.31	–	6.28	–
Interest Cost	62.77	15.78	1.78	79.07
(Expected Return of Plan Assets)	(68.97)	(41.81)	–	(107.18)
Actuarial (Gain)/Loss	8.65	(44.40)	(5.22)	(175.70)
Non Recoverable Assets Written Off	–	–	–	175.70
Total Expense as per the Actuarial Valuation	62.76	(70.43)	2.84	(28.11)
Actual Expenses Recognised	** 62.76	–	2.84 *	–

* The Expenses for the above benefit are recognised under 'Salary, Wages and Bonus' on Note 30.

**The Expenses for the above benefit are recognised under 'Contribution to Funds' on Note 30.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	Gratuity (Funded)	Superannuation (Funded)	Compensated Absence (Unfunded)	Step down Subsidiary Benefit Scheme (Funded)
	For the year ended 31st March 2017	For the year ended 31st March 2017	For the year ended 31st March 2017	For the year ended 31st March 2017
	%	%	%	%
e) Category of Plan Assets :				
GOI Securities	1	3	NA	–
Bonds	–	–	NA	–
State Government/State Government Guaranteed Securities	–	–	NA	–
Units of Insurers	97	93	NA	–
Others (including Bank Balances)	2	4	NA	–
Scottish Mutual with Profit Deferred Annuity	–	–	NA	100
	100	100	NA	100
f) Principal Actuarial Assumptions :				
Discount Rate (per annum) (%)	6.90	6.90	6.90	2.70
Rate of Increase in Salaries (%)	6.00	NA	6.00	NA
Expected Rate of Return on Plan Assets (%)	8.30	8.20	NA	3.30
Remaining Working Life (in years)	18.33	9.74	12.68	2.10
Revaluation in Deferment (Price Inflation with a maximum of 5% p.a)	NA	NA	NA	NA
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) Ultimate	@
Method Used	Projected Unit Credit Method			Discounted Income Approach
Actual Return on Plan Assets	103.99	61.42	NA	NA

@ The mortality assumptions adopted at 31st March 2017 imply the following future life expectancies :

Male Currently Age 65	22.20
Female Currently Age 65	24.10

g) Other Disclosures :
Gratuity Scheme :

	For the year ended 31st March 2017
Experience History	
Defined Benefit Obligation at end of the period	(851.29)
Plan Assets at end of the period	845.27
Funded Status	(6.02)
Experience Gain/(Loss) adjustments on Plan Liabilities	(5.40)
Experience Gain/(Loss) adjustments on Plan Assets	35.02
Actuarial Gain/(Loss) due to change on Assumptions	(38.27)

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

Superannuation Scheme :

	For the year ended 31st March 2017
Experience History	
Defined Benefit Obligation at end of the period	(114.90)
Plan Assets at end of the period	490.28
Funded Status	375.38
Experience Gain/(Loss) adjustments on Plan Liabilities	27.74
Experience Gain/(Loss) adjustments on Plan Assets	19.61
Actuarial Gain/(Loss) due to change on Assumptions	(2.95)

Compensated Absence (Unfunded) :

	For the year ended 31st March 2017
Experience History	
Defined Benefit Obligation at end of the period	(26.99)
Plan Assets at end of the period	–
Funded Status	(26.99)
Experience Gain/(Loss) adjustments on Plan Liabilities	6.81
Experience Gain/(Loss) adjustments on Plan Assets	–
Actuarial Gain/(Loss) due to change on Assumptions	(1.41)

The basis used to determine overall Expected Return on Assets and the major categories of Plan Assets are as follows :

The major portion of the Assets is invested in Units of Insurers and Government Bonds. Based on the Asset allocation and prevailing yield rates on these asset classes, the Long Term estimate of the Expected Rate of Return on the Fund have been arrived at. Assumed Rate of Return on Assets is expected to vary from year to year reflecting the returns on matching Government Bonds.

The estimate of Future Salary increases takes into account Inflation, Seniority, Promotion and other relevant factors.

	For the year ended 31st March 2017
31. FINANCE COSTS	
Interest	448.71
Other Borrowing Cost	4.02
Total	452.73

	For the year ended 31st March 2017
32. OTHER EXPENSES :	
Consumption of Stores and Spare Parts	1,786.69
Power and Fuel	1,990.69
Rent	517.75
Rates and Taxes	237.02
Repairs :	
- Machinery	312.47
- Buildings	78.13
- Others	555.94
Insurance	241.69
Payment to Auditors	83.61

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2017
Directors' Fees	7.35
Provision for Doubtful Trade Receivables/Advances	963.93
Sundry Debit Balances/Advances Written Off	80.05
Travelling and Conveyance	1,404.26
Site Contractor Expenses	1,134.04
Processing Charges	377.59
Professional Charges	841.13
Postage, Telephone, Telex etc.	228.47
Royalty	2.23
Service Charges	217.40
Commission and Brokerage	1,316.48
Packing Expenses	2,189.55
Delivery and Forwarding Expenses	2,382.00
Net (Gain)/Loss on Sale/Discard of Fixed Assets/Investment	(22.71)
Net Gain on Foreign Exchange Rate Fluctuation and Translation (Refer Note 32.1 below)	(9.86)
Miscellaneous Expenses	1,446.46
Total	18,362.36

32.1 Net Gain of ₹ 9.86 includes Provision for 'Mark to Market' losses on Derivatives of ₹ Nil.

	For the year ended 31st March 2017
33. EARNINGS PER SHARE (EPS) – THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED	
Profit after Tax attributable to the Equity Shareholders (A)	4,419.22
Weighted Average Number of Equity Shares (in number) (B) (Refer Note 4.6)	36,039,312
Nominal Value of Equity Shares (in ₹)	10.00
Dilutive Potential Equity Shares (C)	–
Basic EPS (A/B)	12.26
Diluted EPS [(A/(B+C))]	12.26

	As at 31st March 2017
34. CONTINGENT LIABILITIES	
Claims against the Company not acknowledged as Debts :	
i) Sales Tax matter under dispute relating to issues of applicability and classification (related payments ₹ 21.05)	62.93
ii) Income Tax matters under dispute relating to issues of applicability and determination	10.04
iii) Service Tax matters under dispute relating to issues of applicability and classification	3.20

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017
35. CAPITAL AND OTHER COMMITMENTS :	
35.1 Capital Commitments	
Estimated value of Contracts on Capital Account remaining to be executed (Net of Advances) and not provided for	101.32
Total	101.32

36. RELATED PARTY DISCLOSURES :

Related Party Disclosures in keeping with Accounting Standard-18 prescribed under 'the Act'.

List of Related Parties

Where Control exists	
Holding Company (will cease to be Holding Company post completion of merger formalities)	Bajoria Holdings Private Limited
Holding Company (ceased to be Holding Company post merger)	Erstwhile IFGL Refractories Limited
Fellow Subsidiaries	Heritage Health Insurance TPA Private Limited Bajoria Financial Services Private Limited Ganges Art Gallery Private Limited Bajoria Enterprises Limited
Others :	
Key Management Personnel	S K Bajoria (Chairman of erstwhile IFGL Refractories Limited) P Bajoria (Managing Director erstwhile IFGL Refractories Limited) Kamal Sarda (Director, Chief Executive Officer and Chief Financial Officer) Rajesh Agarwal (Company Secretary with effect from 05.08.2017) Kanhaiya Poddar (Chief Financial Officer till 05.08.2017)
Relatives of Key Management Personnel	Mihir Bajoria (Son of Chairman) Smita Bajoria (Wife of Chairman) Akshay Bajoria (Son of Managing Director)
Enterprises in which Key Management Personnel has significant influence	Heritage Insurance Brokers Private Limited Bajoria Service Providers LLP

2016-2017

Particulars of Transactions during the year and year end balances	
I) With Holding Company : Bajoria Holdings Private Limited	
Rent for Office Premises	36.73
Expenses Reimbursement/Incurred	1.13
	37.86
Year End Balances	
Trade Payables	—
	—
II) With Fellow Subsidiaries	
Expenses Reimbursement/Incurred	
Ganges Art Gallery Private Limited	0.62
Bajoria Enterprises Limited	12.00
	12.62

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	2016-2017
Particulars of Transactions during the year and year end balances	
III) With Key Management Personnel	
Key Management Personnel Remuneration	
S K Bajoria (Chairman erstwhile IFGL Refractories Limited)	208.07 @
P Bajoria (Managing Director erstwhile IFGL Refractories Limited)	263.39 @
Kamal Sarda (Director, Chief Executive Officer and Chief Financial Officer)	65.38
Rajesh Agarwal (Company Secretary)	79.49
Kanhaiya Poddar (Chief Financial Officer till 05.08.2017)	32.06
	648.39
Director's Commission	
S K Bajoria (Chairman erstwhile IFGL Refractories Limited)	28.00
P Bajoria (Managing Director erstwhile IFGL Refractories Limited)	22.00
	50.00
Year End Balances	
Director's Commission Payable	
S K Bajoria (Chairman erstwhile IFGL Refractories Limited)	28.00
P Bajoria (Managing Director erstwhile IFGL Refractories Limited)	22.00
	50.00
IV) With Relatives of Key Management Personnel	
Remuneration	
Mihir Bajoria	125.28
Akshay Bajoria	23.07
	148.35

@ paid as per approvals of the Central Government dated 31st March 2017 and 6th April 2017, obtained by IFGL Refractories Limited

37. OPERATING LEASE COMMITMENTS

The Group entered into various Non-Cancelable Operating Lease Agreements in connection with certain Property, Plant and Equipment and Vehicles in the earlier years. Tenure of Lease generally varies between 1 and 15 years. Terms of the Lease includes Operating terms of Renewal, Increase in Rent in future period, Re-imbursement of Maintenance Charges, Terms of Cancellation etc. The Future Minimum Lease Commitments of the Company are as follows :

	As at 31st March 2017
Within 1 Year	297.11
More than 1 Year upto 5 Years	537.55
Total	834.66

Lease Rentals recognised in Note 32 of the Statement of Profit and Loss amount to ₹ 297.11

38. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH 2017 IN ACCORDANCE WITH AS - 17 PRESCRIBED UNDER THE 2013 ACT :

A) Primary Segment Reporting (by Geographical Location of Operations)

I) Composition of Geographical Segments

The Group is predominantly a Manufacturer and Trader of Specialised Refractories and accordingly a Single Business Segment Group. The Group has adopted the Geographical Location of its Operations (where its Products are produced or Service rendering activities are based) as its Primary Segment and presented the related information accordingly together with corresponding figures for the previous year. The Group's production facilities have been segmented into India, Europe (United Kingdom, Germany and Czech Republic), Asia excluding India (China) and America (USA).

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

II) Inter Segment Transfer Pricing

Inter Segment Prices are normally negotiated amongst the segments with reference to the Costs, Market Prices and Business Risks , within an overall optimisation objective for the Group.

III) Segment Revenues, Result and Other Information

	India	Europe	Asia Excluding India	America	Total of Reportable Segments
External Sales (Net of Excise Duty)	36,378.10	21,691.59	875.16	17,612.27	76,557.12
Inter Segment Sales	6,879.98	1,325.43	5,190.48	135.16	13,531.05
Segment Revenues	43,258.08	23,017.02	6,065.64	17,747.43	90,088.17
Segment Result	1,549.13	1,646.87	702.37	1,986.82	5,885.19
Segment Assets	54,109.31	13,807.36	1,748.53	9,176.98	78,842.18
Segment Liabilities	5,805.95	3,914.77	905.39	1,334.40	11,960.51
Capital Expenditure (Net)	27,638.87	198.14	47.11	224.57	28,108.69
Depreciation	3,710.89	374.40	96.32	233.39	4,415.00
Non Cash Expenses other than Depreciation	760.96	267.53	–	15.49	1,043.98

IV) Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Net Profit	Assets	Liabilities @
Total of Reportable Segments	90,088.17	5,885.19	78,842.18	11,960.51
Corporate - Unallocated (Net)/Adjustments	269.54	(549.16)	10,890.87	9,323.84
Inter Segment Sales	(13,531.05)	–	–	–
Interest (Net)	–	(452.73)	–	–
Provision for Taxation				
- Current	–	(1,052.19)	–	–
- Deferred	–	587.29	–	–
As per Financial Statements	76,826.66	@@ 4,418.40	89,733.05	21,284.35

@ Excluding Shareholders' Funds and Minority Interest

@@ Profit after Taxation and before Minority Interest

V) Revenue from Sales to External Customers for Customer Based Geographical Segments

	Total
India	10,799.19
United Kingdom	3,658.72
Europe other than United Kingdom	29,651.63
Asia Excluding India	8,413.73
Americas	19,939.35
Others	4,094.50
Total Sales	76,557.12

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

39. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Name of the Entity	Net Assets (Total Assets Less Total Liabilities)		Share of Profit	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit	Amount
Parent				
IFGL Exports Limited	69.22	47,384.90	38.75	1,712.11
Subsidiary (Foreign)				
IFGL Worldwide Holdings Limited	30.77	21,060.75	61.27	2,707.11
Minority Interests in all Subsidiaries	0.01	3.05	(0.02)	(0.82)
Total	100.00	68,448.70	100.00	4,418.40

40. DISCLOSURE ON SPECIFIED BANK NOTES (SBNS)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R 308(E) dated 31st March 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016, the denomination wise SBN's and others notes as per the Notifications is given below :

	SBNs*	Other denomination notes	Total
Closing Cash in Hand as on 8th November 2016	13.01	0.93	13.94
(+) Permitted Receipts	–	11.10	11.10
(-) Permitted Payments	0.09	8.25	8.34
(-) Amount deposited in Banks	12.92	–	12.92
Closing Cash in Hand as on 30th December 2016	–	3.78	3.78

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated the 8th November 2016.

41. MERGER

The Hon'ble National Company Law Tribunal, Kolkata Bench (Tribunal) by passing an Order on 3rd August 2017 under Sections 230 and 232 of the Companies Act, 2013 has sanctioned a Scheme for Amalgamation (Scheme) for merger of IFGL Refractories Limited (IFGL) with the Company on and from 1st April 2016 being the appointed date. Scheme has become effective from 5th August 2017 following filing of Order of Hon'ble Tribunal with the Ministry of Corporate Affairs (Registrar of Companies) by the Company and IFGL on that date. The Scheme has accordingly been given effect to in these Financial Statements.

In accordance with the provisions of aforesaid Scheme :

- The Share swap ratio is 1:1 i.e. for 1 Equity Share held in IFGL Refractories Limited on the record date, the Company will issue and allot 1 Equity Share of the face value of ₹ 10/- each fully paid up.
- The Amalgamation has been accounted under the 'Purchase Method' as prescribed by Accounting Standard 14 - Accounting for Amalgamations. The accounting treatment has been given as under :
 - The assets and liabilities of the erstwhile IFGL Refractories Limited as at 1st April 2016 have been incorporated at the fair values in the Financial Statements of the Company.
 - All inter corporate balances and obligations (including investments held by the erstwhile IFGL Refractories Limited in the Company, advances, outstanding balances or other obligations) between the Company and the erstwhile IFGL Refractories Limited stands cancelled.
- The excess of the value of Equity Shares issued by the Company over the book value of assets and liabilities taken over by the Company and cancellation of Equity Shares held by the erstwhile IFGL Refractories Limited in the Company, amounting to ₹ 26,699.46 lacs has been recorded as goodwill arising on amalgamation.
- As the Equity Shares have been allotted subsequent to 31st March 2017, the same has been disclosed under the Share Capital Suspense till the date of allotment of such shares to the Shareholders of the erstwhile IFGL Refractories Limited.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

- e. Pursuant to approved Share swap ratio, the Company shall be issuing 34,610,472 Equity Shares of ₹ 10/- each (with a premium of ₹ 120 per share) to the Shareholders of IFGL Refractories Limited on the record date being 15th September 2017. Equity Shares of the Company will be listed both on BSE Limited and National Stock Exchange of India Limited. Pending allotment, an amount of ₹ 331,233,120 (ignoring Equity Shares of the Company already held by IFGL Refractories Limited) has been included in the Share Capital Suspense Account as at 31st March 2017.
- f. In accordance with the Scheme, the goodwill recorded on amalgamation has been amortised and the Company has estimated its useful life of 10 years. Accordingly, amortisation for the year amounting to ₹ 2,669.95 lacs has been recognised in the Statement of Profit and Loss.

The value of Goodwill has been determined as below :

Assets	
Non-Current Assets	10,070.74
Current Assets	14,983.60
Total Assets (A)	25,054.34
Liabilities	
Non-Current Liabilities	177.83
Current Liabilities	8,515.66
Total Liabilities (B)	8,693.49
Net Assets Taken Over (C)= (A - B)	16,360.85
Cancellation of Equity Shares held by the erstwhile IFGL Refractories Limited in the Company (D)	148.71
Purchase Consideration (E)	43,209.02
Goodwil arising on Amalgamation (G)= (E - C - D)	26,699.46

42. PROPOSED DIVIDEND ON EQUITY SHARES

The Directors of the Company have recommended the payment of Final Dividend of ₹ 2/- per fully paid Equity Shares. This Proposed Dividend is subject to the approval of the Shareholders in the ensuing Annual General Meeting. The Equity Shares under Share Capital Suspense shall also be entitled to Dividend.

Signatures to Note '1' to '42'

On behalf of the Board of Directors

Kolkata
9th September 2017

R Agarwal
Company Secretary

Kamal Sarda
Director, Chief Executive Officer
and Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

If undelivered, please return to :



McLeod House, 3, Netaji Subhas Road
Kolkata 700 001, India



IFGL Refractories Limited

CIN : U51909OR2007PLC027954

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