

Marathwada Refractories Limited

**30th
ANNUAL
REPORT**

2008 - 2009

MARATHWADA REFRACTORIES LIMITED

BOARD OF DIRECTORS

Shri V.D. Jhunjhunwala
Shri H.B. Belwal
Shri. Ashwani Bhatia

BANKERS

Union Bank of India, Aurangabad
Union Bank of India, Delhi

AUDITORS

Khandelwal Jain & Co.
Chartered Accountants, Aurangabad.

Registered Office

F-4/1, Chikalhana,
M.I.D.C. Industrial Area,
Aurangabad-431210

MARATHWADA REFRACTORIES LIMITED

Regd. Office: F- 4/1, Chikalthana, Industrial Area,
MIDC, Aurangabad 431 210

NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Company will be held at its Registered Office at F- 4/1, Chikalthana, Industrial Area, MIDC, Aurangabad 431 210 on Wednesday, the 30th day of September, 2009 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Profit and Loss Account for the year ended **31st March 2009**, the Balance Sheet as at that date and the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director, in place of **Shri Ashwani Bhatia** who retires at the forthcoming Annual General Meeting and being eligible offers himself for reappointment and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:
"RESOLVED that Shri Ashwani Bhatia be and is hereby appointed as a Director of the Company, liable to retire by rotation."
3. To appoint auditors and to fix their remuneration.

For **MARATHWADA REFRACTORIES LIMITED**

Place: **New Delhi**
Dated: **28 May, 2009**

(**H B Belwal**)
Director

NOTES:

- a) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, on a poll, in his/ her stead and that the proxy need not be a member of the company. Proxies in order to be effective must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
- b) The Register of Members and share transfer books will remain closed from 16.09.2009 to 30.09.2009 (both days inclusive).
- c) The shares of the Company are registered in electronic form with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) under the ISIN-INE347D01011. The Members are requested to correspond with "M/s Link Intime India Private Limited" (formerly M/s. Intime Spectrum Registry Limited), A-40, 2nd Floor, Naraina Industrial Area, Near Batra Banquet Hall, New Delhi - 110028, Registrar and Share Transfer Agent of the Company, to render services for share transfers in both physical and electronic segments and any other matter relating to their shares.
- d) Members are requested to notify immediately the change in their address, if any, to the Registrar and Share Transfer Agent / Registered Office or Head Office of the Company. Any communication with the Company will be greatly facilitated, if the Folio Number is quoted in all the correspondence.

MARATHWADA REFRACTORIES LIMITED

DIRECTORS' REPORT

To,
The Members,
Marathwada Refractories Limited

Your Directors have pleasure in presenting the **Thirtieth Annual Report** of your Company together with audited Accounts and Balance Sheet for the year ended 31st March, 2009.

1. Financial Results:

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Profit before Taxation	11082002	49476349
<u>Add/ (Less):</u>		
Prior Period Item	(2400)	(3500)
Refund of Income tax-earlier year	2249394	-
<u>Add/(Less): Provisions</u>		
Income-tax - earlier year	(6109)	(254435)
Income-tax - current year	(3513986)	(10625701)
Deferred Tax Liability	(23578)	(21271)
Fringe Benefit Tax	(3028)	(4973)
Profit after taxation	9782295	38566469
Add: Profit brought forward	84902102	46335631
Balance carried to Balance Sheet	94684396	84902100

2. Operations:

Sales

During the year under consideration the company has earned income mainly from interest as it has already closed manufacturing operations at Aurangabad.

The execution of conveyance deed in respect of assignment of leasehold rights for the land situated at F-4/1, MIDC, Chikalthana, Aurangabad, in favour of Goldendreams Technopark Pvt. Ltd. in terms of agreement dated 19.12.2007, under which possession of the property has already been handed over by the Company to the buyer in earlier year, is still pending.

3. Dividend:

Your Directors have decided not to recommend dividend on shares.

MARATHWADA REFRACTORIES LIMITED

4. **Particulars under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988:**
 - A. **Conservation of energy:**

There is no manufacturing activity carried out during the year.
 - B. **Foreign Exchange Earning and Outgo:**

There are no foreign exchange earnings or outgoes.
5. **Public Deposits:**

The Company has not accepted any deposit within the meaning of section 58 A of the Companies Act, 1956.
6. **Particulars of Employees:**

None of the employees are covered under the provisions of Section 217 (2A) of the Companies Act, 1956.
7. **Directors:**

Mr. Ashwani Bhatia retires by rotation and is eligible for reappointment. The terms of Shri V.D. Jhunjhunawala as a Managing Director expired on 01.06.2008. However, he is continuing as a Director of the Company since then.
8. **Listing of Shares:**

In terms of clause 31 of the listing Agreement as amended it is confirmed that the shares of the Company are listed at the Bombay Stock Exchange & the Calcutta Stock Exchange Association Limited and the necessary listing fees have been paid. During the year, the suspension in the trading of the equity shares of the Company has been revoked by the Bombay Stock Exchange on payment of reinstatement charges.
9. **Compliance Certificate**

In terms of the proviso to Section 383A of the Companies Act, 1956, Compliance Certificate obtained from Shri B.D. Tapriya, a Company Secretary in practice, for the year ended 31st March, 2009, is annexed.
10. **Registered Office of the Company**

During the year, the Company's petition before the Company Law Board, Mumbai, for shifting of Registered Office of the Company from the State of Maharashtra to the State of Orissa was allowed vide order dated 20.06.2008. However, the said order has not taken effect and the Registered Office continues to be situated in the State of Maharashtra, as the certified copy of the Company Law Board's order was not filed with the Registrar of Companies, in accordance with the decision taken by the Board of Directors on a reconsideration of the matter.
11. **Director's Responsibility Statement:**

The Directors confirm

 - i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
 - ii) that Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at 31st March 2009, and of the profit or loss of the Company for that year;

MARATHWADA REFRACTORIES LIMITED

- iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 1956 for safeguarding assets of the Company and preventing and detecting fraud and other irregularities;
- iv) that the directors have prepared the annual accounts on a going concern basis.

12. Auditors:

M/s Khandelwal Jain & Co., Chartered Accountants, retiring auditors, have advised that they are willing to be re-appointed as Auditors of the Company pursuant to section 224 (1B) of the Companies Act, 1956. The board recommends their appointment. The observations of the Auditors in their report are self-explanatory.

13. Disclosure of names of constituents of "Group" pursuant to Regulation 3 (1)(e)(i) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

"Shri M.H. Dalmia, Shri M.H. Dalmia (HUF), Smt. Abha Dalmia, Mridu Hari Dalmia Parivar Trust, Shri Gaurav Dalmia, Shri Gaurav Dalmia (HUF), Smt. Sharmila Dalmia, Sharmila Dalmia Parivar Trust, Km. Devanshi Dalmia, Km. Aanyapriya Dalmia, Mst. Aryaman Hari Dalmia, Devanshi Trust, Aanyapriya Trust, Aryaman Hari Trust, Smt. Kanupriya Somany, Kanupriya Trust Two, Kanupriya Parivar Trust, Kanu Sharad Parivar Trust, Kanu Sharad Family Trust, Shri R.H. Dalmia, Shri R.H. Dalmia (HUF), Smt. Padma Dalmia, Raghu Hari Dalmia Parivar Trust, Smt. Shripriya Dalmia Thirani, Smt. Anuradha Jatia, Anuradha Dalmia Trust, Km. Vrinda Dalmia, R. H. Dalmia Trust.

Konark Investments Ltd., Madhukar Investments Ltd, Europa Commercial & Trades Ltd., Sunflower Mercantiles Ltd., Dalmia Group Udyog Ltd., Swank Services Ltd., National Synthetics Ltd., First Capital India Ltd., Landmark Property Development Company Ltd., Kabirdas Investments Ltd., Dalmia Agencies Pvt. Ltd., Satya Miners & Transporters Ltd., Himalayan Natural Products Ltd., OCL Iron & Steel Ltd., Hari Machines Ltd., Dapel Investment Pvt. Ltd., Kiran Resources Ltd."

For and on behalf of the Board of Directors

H. B. Belwal
V. D. Jhunjhunwala
Directors

Place: New Delhi
Date : 28 May, 2009

MARATHWADA REFRACTORIES LIMITED

B.D. TAPRIYA
LL.B., FCS,
Company Secretary

COMPLIANCE CERTIFICATE

CIN: L26900MH1979PLC021846

To,
The Members,
Marathwada Refractories Limited
F-4/1, Chikalthana, Industrial Area, MIDC,
Aurangabad - 431 210.

I have examined the registers, records, books and papers of Marathwada Refractories Limited (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made thereunder and also provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company and its agents, I certify that in respect of the aforesaid financial year:-

1. The company has kept and maintained all registers as stated under, as per the provisions and the rules made thereunder and all entries therein have been duly recorded:-
 - i) Register of Members u/s 150 & 151(through the Registrar & Transfer Agent of the Company);
 - ii) Register of Share Transfer u/s 108(1-A) (through the Registrar & Transfer Agent of the Company);
 - iii) Register of issue of Duplicate Share Certificates (through the Registrar & Transfer Agent of the Company)
 - iv) Books of Accounts u/s 209;
 - v) Register of Contracts in which Directors are interested u/s 301;
 - vi) Register of Directors u/s 303;
 - vii) Register of Directors Shareholding u/s 307;
 - viii) Minutes book of Meetings of Board of Directors and Shareholders;
 - ix) Register of investments u/s 372A;
 - x) Register of Directors Attendance in Board Meeting and shareholders attendance in General Meetings.
2. The company has duly filed the forms and returns as stated under, with the Registrar of Companies:
 - i) Form 32 u/s 303 (2) ;
 - ii) Form 23 u/s 192;
 - iii) Form No. 61;
 - vi) Annual Accounts u/s 220;
 - v) Compliance Certificate u/s 383A;
 - vi) Annual Return u/s 159.

MARATHWADA REFRACTORIES LIMITED

3. The Company is a Public Limited Company and its paid-up capital is Rs.70 lacs. During the year, the Company:

- a) has not invited to subscribe for its shares;
- b) has not invited or accepted any deposits from public

4. The Board of Directors of the Company duly met on following dates:

Date of Meetings of Board/Committee

- i) 15.05.2008
- ii) 22.07.2008
- iii) 31.10.2008
- iv) 28.01.2009

5. The Company closed its Register of Members from 16th September, 2008 to 29th September, 2008 during the year.

6. The Annual General Meeting for the financial year ended on 31.3.2008 was held on 29th September, 2008.

7. No extraordinary general meeting was held during the financial year.

8. The Company has not advanced any loan to its directors and/or persons or firms or companies referred in Section 295 of the Act.

9. The Company has not entered into any contract covered under the provisions of Section 297 of the Act.

10. The Company has complied with the requirements of Section 301 of the Act.

11. The provisions of Section 314 of the Act were not applicable to the Company during the financial year.

12. The Company has issued duplicate share certificates.

13. The Company has:

- i) Received shares for transfer/transmission during the year. The Company has delivered all the Certificates on the lodgment of Shares for transfer / transmission /consolidation / split of Shares as per record of RTA.
- ii) Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
- iii) Not posted warrants to any member of the Company as no dividend was declared during the financial year.
- iv) No amounts unpaid in dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years and hence transferring of the same to the Investor Education and Protection Fund does not arise.
- v) Duly complied with the requirements of Section 217 of the Act.

MARATHWADA REFRACTORIES LIMITED

14. The Board of Directors is duly constituted and appointment of all directors has duly been made.
15. The Company has not appointed any Managing Director/Whole-time Director/Manager.
16. No sole selling agent has been appointed.
17. The Company was not required to obtain any approval from Central Government, Company Law Board, Regional Director, Registrar or such other authorities as prescribed under various provisions of the Act.
18. The Directors duly disclosed their interest in other firm/companies in the last month of the financial year 2008-09 except in case of one Director and that is duly recorded in the register kept for that purpose.
19. The Company has not issued any shares.
20. The Company has not bought back any shares.
21. The Company has not issued any preference shares.
22. The Company was not required to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not taken deposits under the provisions of Section 58A and 58AA read with the Companies (Acceptance of Deposit) Rules, 1975/the applicable directions issued by the Reserve Bank of India/any other authority.
24. No amount has been borrowed by the Company from Directors, members, Public Financial institutions, banks and others during the financial year ending 31st March, 2009.
25. The Company has made loan to other bodies corporate during the financial year in compliance of the Act.
26. The Company has not altered the provision of Memorandum with respect to situation of the Company's Registered Office from one state to another during the year under scrutiny after complying with the provisions of the Act.
27. The Company has not altered the provision of Memorandum with respect to objects of the Company during the year under scrutiny after complying with the provisions of the Act.
28. The company has not altered the provisions of the Memorandum of Association with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provision of Memorandum with respect to share capital of the Company during the year under scrutiny after complying with the provisions of the Act.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. There was no prosecution initiated against or show cause notice received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for the offences under the Act.
32. No amount has been received as security from its employees during the year.
33. The Company has deposited contribution to Provident Fund duly constituted as per applicability with prescribed authorities pursuant to Section 418 of the Act.

Place : Delhi
Date :14 May, 2009

B.D. Tapriya
C.P. No. 2059

MARATHWADA REFRACTORIES LIMITED

AUDITORS' REPORT

To,
The Shareholders,
Marathwada Refractories Limited.
Aurangabad.

We have audited the attached Balance Sheet of **Marathwada Refractories Limited** as at **31st March, 2009** and also the annexed Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Statement on the Companies (Auditor's Report) Order, 2003 issued by the Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956, on the basis of such checks as considered appropriate and according to the information and explanation given to us during the course of the audit, we give in the Annexure hereto a statement on the matters specified in Paragraphs 4 and 5 of the Order.
2. Further to our comments in the annexure referred to in paragraph 1 above we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by the report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable;
 - e) On the basis of our review of the confirmations received from the companies in which the directors of the Company are directors and the information and explanations given to us, none of the directors of the Company are disqualified under section 274 (1) (g) of the Companies Act 1956, from being appointed as director;
 - f) In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the Companies Act, 1956 in a manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - ii. in the case of the Profit and Loss Account, of the Profit of the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Khandelwal Jain & Co.
Chartered Accountants

G.M.Boihara, Partner
Membership No. 16119

Place : Aurangabad
Date :27 May, 2009

MARATHWADA REFRACTORIES LIMITED

ANNEXURE TO AUDITORS' REPORT

Annexure to Auditors' Report of even date referred in Paragraph (1) therein

- i) The nature of the Company's Business during the year is such that clause (ii), (viii), (x), (xi), (xii), (xiii), (xv), (xvi), (xvii), (xviii) (xix) and (xx) of CARO are not applicable.
- ii) In respect of fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
 - (c) The fixed assets not utilized in business activity have been disposed off during the year.
- iii) In respect of loans, secured or unsecured, to or from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956, according to the information and explanations given to us:
 - (a) The company has granted loan to one party. At the year-end, the outstanding balance of such loan aggregated Rs. NIL (number of parties-one) and the maximum amount involved during the year was Rs. 9,07,09,409/-.
 - (b) The rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the company.
 - (c) The Receipt of principal amount & interest have during the year been regular.
 - (d) There is no over due amount in respect of loans granted to the company listed in the register maintained under Section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure, commensurate with the size of the Company and the nature of its business, for the sale of fixed assets.
- v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanation given to us:
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered into the Register maintained under the said Section have been so entered.
 - (b) As explained to us, each of these transactions has been made at prices which are reasonable having regard to the prevailing market price at the relevant time.

MARATHWADA REFRACTORIES LIMITED

- vi) According to the information and explanations given to us, the Company has not accepted any deposits covered under the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
- vii) In our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- ix) The Company is regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Sales Tax, cess and any other statutory dues with appropriate authorities.
- xiv) The company is holding shares and securities as investments. Proper records have been maintained of the transactions and contracts and timely entries have been made therein. The company in its own name has held the shares and other securities.
- xxi) During the year the company has no notice or no reported case of any fraud on or by the company.

For Khandelwal Jain & Co.
Chartered Accountants

Place : Aurangabad
Date : 27 May, 2009

G.M.Bothara, Partner
Membership No. 16119

MARATHWADA REFRACTORIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

Particulars	Schedule	As on 31.03.2009 Rs.	As on 31.03.2008 Rs.
I. SOURCES OF FUNDS			
1. Shareholders' Funds:			
a) Capital	1	7000000	7000000
b) Reserves & Surplus	2	100708208	90925913
2. Deferred Tax Liability (Net)		175394	151816
		<u>107883602</u>	<u>98077729</u>
II. APPLICATION OF FUNDS:			
1. Fixed Assets			
a) Gross Block	3	1680914	1703164
b) Less: Depreciation		1631772	1638633
c) Net Block		49142	64531
2. Investments	4	20769	16069524
3. Current Assets, Loans & Advances	5		
a) Sundry Debtors		626729	851478
b) Cash and Bank Balances		106302411	1056744
c) Loans and Advances		991340	80118564
d) Other Current Assets		0	366147
		<u>107920480</u>	<u>82392933</u>
Less: Current Liabilities & Provisions	6		
a) Current Liabilities		86764	184655
b) Provisions		20025	264603
		<u>106789</u>	<u>449258</u>
Net Current Assets		<u>107813691</u>	<u>81943675</u>
		<u>107883602</u>	<u>98077729</u>
Notes Forming Part of accounts	10		

As per our Report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants

For and on behalf of the Board of Directors

(G.M. Bothara)
Partner
Membership No. 16119

H.B. Belwal
V.D. Jhunjunwala
Directors

Place: Aurangabad
Date: 27 May, 2009

Place: New Delhi
Date: 26 May, 2009

MARATHWADA REFRACTORIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Particulars	Schedule	As on 31.03.2009 Rs.	As on 31.03.2008 Rs.
INCOME			
Sales of Scrap	7	0	162716
Interest (Gross) (TDS Rs. 24,42,366/-, Previous year Rs. 13,52,181/-)		10776987	5959204
Dividend (Gross)		765512	77649
Other Income	8	535839	819207
Profit on Sale of Fixed Assets		111783	44049633
		12190121	51068410
EXPENDITURE			
Administrative & Other Exp.	9	1095309	1212668
Depreciation	3	12811	17263
Loss on sale of Assets		0	362130
		1108120	1592061
Profit before Taxation		11082002	49476349
Add: Income-tax Refund of earlier year		2249394	0
Prior Period Item		(2400)	(3500)
<u>Provision for Taxation</u>			
Income-tax for Earlier Year		(6109)	(254435)
Income-tax		(3513986)	(10625701)
Deferred Tax Liability		(23578)	(21271)
Fringe Benefit Tax		(3028)	(4973)
Profit after taxation		9782295	38566470
Add: Profit brought forward		84902102	46335631
Balance carried to Balance Sheet		94684396	84902102
Basic & Diluted Earning per share		13.97	55.09
Notes Forming Part of Accounts	10		

As per our Report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants

(G.M. Bothara)
Partner
Membership No. 16119

Place: Aurangabad
Date: 27 May, 2009

For and on behalf of the Board of Directors

H.B. Belwal
V.D. Jhunjhunwala
Directors

Place: New Delhi
Date: 26 May, 2009

MARATHWADA REFRACTORIES LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET

Particulars	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
<u>SCHEDULE - 1: SHARE CAPITAL:</u>		
<u>Authorised</u>		
850000 Equity Shares of Rs. 10/- each	8500000	8500000
15,000 11% Redeemable Cumulative Preference Shares of Rs. 100/- each	1500000	1500000
	<u>10000000</u>	<u>10000000</u>
<u>Issued, Subscribed and Paid-up</u>		
700000 equity shares of Rs. 10/- each	7000000	7000000
	<u>7000000</u>	<u>7000000</u>
<u>SCHEDULE - 2 : RESERVES & SURPLUS:</u>		
15% Central Invest. Subsidy	1500000	1500000
Investment Allowance Utilised	1523812	1523812
Capital Redemption Reserve	1000000	1000000
General Reserve	2000000	2000000
Profit and Loss Account	94684396	84902102
	<u>100708208</u>	<u>90925913</u>

**SCHEDULE FORMING PART OF BALANCE SHEET
SCHEDULE NO. 3 : FIXED ASSETS**

Sr. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 1.4.2008	Additions during the year	Sales/ Transfer during the year	Total as on 31.3.2009	Upto 31.3.2008	For the year	Adjustment for Transfer Sales during the year	Total upto 31.3.2009	As on 31.3.2009	As on 31.3.2008
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1.	Building	86055	0	32895	53160	57951	910	19672	39188	13972	28104
2.	Plant & Machinery	1037385	10645	0	1048030	1020520	8228	0	1028748	19282	16865
3.	Furniture & Fixture	574724	0	0	574724	556670	3284	0	559954	14770	18054
4.	Vehicle	5000	0	0	5000	3492	390	0	3882	1118	1508
	Total	1703164	10645	32895	1680914	1638633	12811	19672	1631772	49142	64531
	Previous Year	9341339	0	7638175	1703164	7947056	17263	6325685	1638633	64530	1394283

MARATHWADA REFRACTORIES LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET

Particulars	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
SCHEDULE - 4: INVESTMENTS (At Cost)		
QUOTED:	Face Value	
400 Equity Shares of Rs. 10/- each of APT Packaging Ltd.(Formerly known as M/s. Anil Chemicals and Industries Ltd.)*#.	4000	16000
100 Equity Shares of Macchar Infrastructure Ltd. *#	1000	4000
50 Equity Shares of Rs. 10/- each of M/s. Raasi Refractories Limited#	500	469
50 Equity Shares of Rs. 10/- each of M/s. Ispat Industries Ltd. (Formerly known as Nippon Denro Ispat Ltd.)	500	300
UNQUOTED:		
NSC-CIDCO Post Office	0	500
Investment in Mutual Fund:		
ICICI Prudential Flexible Income Plan	0	16048255
	<u>20769</u>	<u>16069524</u>
Book Value of Quoted Investments	20769	16069024
Book Value of Unquoted Investments	0	500
Market Value of Quoted Investments	5425	16089879
* Received on reduction of capital, demerger, consolidation of capital.		
# Market value not available.		
SCHEDULE-5: CURRENT ASSETS, LOANS AND ADVANCES		
a) Sundry Debtors		
(Unsecured, Considered Good)		
Outstanding for period exceeding 6 Months	626729	851478
	<u>626729</u>	<u>851478</u>
b) Cash and Bank Balance		
Cash on Hand	6781	1672
Cheques in hand	90709409	0
Balances with Scheduled Banks - In Current Account	15586221	1055072
	<u>106302411</u>	<u>1056744</u>
c) Loans and Advances		
Advance to Staff and other receivables (Considered Good)	23331	25819
Balance with Central Excise	0	5424
Payment to DIC under Protest	0	51171
Deposits	24010	28010

MARATHWADA REFRACTORIES LIMITED

SCHEDULE FORMING PART OF BALANCE SHEET

Particulars	As at 31.03.2009 Rs.	As at 31.03.2008 Rs.
Loans to Corporate Bodies:		
- Hari Machine Limited	0	80000000
Refund due - FBT (A.Y. 09-10)	972	0
Refund due - FBT (A.Y. 07-08)	8140	8140
Refund due - FBT (A.Y. 08-09)	27	0
Income Tax Refund Due (A.Y. 08-09)	6480	0
Income-tax Refund Due (A.Y. 09-10)	928380	0
	991340	80118564
d) Other Current Assets		
Accrued Interest	0	366147
	0	366147
 SCHEDULE - 6: CURRENT LIABILITIES & PROVISIONS		
A) Current Liabilities:		
i) Other Liabilities	73566	175191
ii) Statutory Liabilities	4753	7964
iii) Payable to Directors (Maximum amount outstanding Rs. 8445/-; Previous year Rs. 1500/-)	8445	1500
	86764	184655
B) Provisions:		
a) Provision for Gratuity	20025	16111
b) Fringe Benefit Tax	0	4973
c) Provision for Income Tax	3513986	
Less: TDS on Interest	2442366	
Less: Advance Tax	2000000	
	0	243520
	20025	264603
 SCHEDULE NO.7		
Sales (Gross)		
Scrap Sales	0	162716
	0	162716

MARATHWADA REFRACTORIES LIMITED

SCHEDULE FORMING PROFIT & LOSS ACCOUNT

Particulars	Year ended 31.03.2009 Rs.	Year ended 31.03.2008 Rs.
<u>SCHEDULE NO. 8</u>		
Other Income:		
House Rent from Others	2100	50700
Weigh Bridge Receipts	0	93879
Excess provision written Back	0	379408
Other Misc. Receipts	27877	103759
Sundry Balances written up	250	55457
Interest on IT Refund	500388	136004
Profit on Redemption of Units	5224	0
	<u>535839</u>	<u>819207</u>
<u>SCHEDULE NO. 9</u>		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
<u>Salaries and Wages etc.</u>		
- Salaries, Wages and Bonus	120025	158893
- Workmen and Staff welfare expenses	0	6150
- Contribution to ESI, PF etc.	14772	18149
- Gratuity	3914	3222
- Ex-Gratia	0	39971
- Retrenchment Compensation	0	39029
Water & Electricity Charges	0	24071
<u>Repairs & Maintenance</u>		
- Others	0	4736
Rates and Taxes	58529	110495
Loss on sale of Investment	0	29100
Office expenses	24000	40406
Printing & stationery	9380	17005
Travailing expenses	22411	42438
Auditors Remuneration	36123	36720
Advertisement & Pulicity	44250	70993
Telephone & Telex	29422	40139
Postage & Telegram	5457	12786
Legal and Professional charges	142097	158356
Professional Tax (Company)	2500	2500
General Expenses	14557	37473
Security Expenses	0	266145
Sales Tax (F.Y. 2002-03)	112715	0
Conveyance charges	9517	14561
BSE reinstatement charges	361400	0
Bank charges	16398	12908
Office Rent	36050	0
Miscellaneous Expenses	31792	26422
	<u>1095309</u>	<u>1212668</u>

MARATHWADA REFRACTORIES LIMITED

SCHEDULE - 10: NOTES FORMING PART OF ACCOUNTS:

Notes Annexed to and forming part of the Balance Sheet as at 31.03.2009 and Profit and Loss Account for the year ended on that date:

1. Corresponding figures of the previous year have been regrouped to confirm with this year's grouping wherever necessary.

2. CONTINGENT LIABILITY NOT PROVIDED FOR IN RESPECT OF:

Particulars	Current Year Rs.	Previous Year Rs.
Claims against the Company not acknowledged as debts - Kalpana Enterprises	50580	50580

3. The Company has filed a writ petition in the Aurangabad bench of Hon'ble Bombay High Court challenging the notice dated 23.01.2009 issued by the Joint Commissioner of Sales-tax, Maharashtra State as well as order dated 16.10.2008 passed by the Additional Director of Industries, Mumbai, cancelling the eligibility certificate dated 22.03.1996. Liability arising in the matter, if any, is presently not ascertainable.

4. The information pursuant to Part II of Schedule VI

Particulars	Current Year Rs.	Previous Year Rs.
A. CLAUSE 4A	Nil	Nil
B. CLAUSE 4B		
PAYMENT TO AUDITOR		
a) Audit Fees	16706	16854
b) Tax audit fees	5464	5612
c) Taxation matters	11088	11236
d) Management services	2865	3012
C. CLAUSE 4C	Nil	Nil
D. CLAUSE 4D	Nil	Nil

As per our Report of even date attached
For Khandelwal Jain & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

(G.M. Bothara)
Partner
 Membership No. 16119

V.D. Jhunjhunwala
H.B. Belwal
Directors

Place: Aurangabad
 Date: 27 May, 2009

Place: New Delhi
 Date: 26 May, 2009

MARATHWADA REFRACTORIES LIMITED

SIGNIFICANT ACCOUNTING POLICIES:

A) Accounting Convention:

The financial statements are prepared under the historical cost convention on an accrual basis of accounting and in accordance with the standards on accounting issued by the Institute of Chartered Accountants of India and referred to in section 211 (3C) of the Companies Act, 1956.

B) Fixed Assets:

Fixed Assets are stated at historical cost. Historical cost is inclusive of pre-operative expenses, installation cost, duties and taxes and other incidental expenses incurred towards acquisition and installation of Fixed Assets reduced by CENVAT of excise duty available.

C) Depreciation:

- i) The Company follows the written down value method of depreciation.
- ii) The rates of depreciation charged on all fixed assets are in accordance with the notification dated 16th December, 1993 issued under Companies Act., 1956.
- iii) On assets sold, discarded etc. during the year depreciation is not provided during the year of sale/discarded

D) Investments:

Investments are stated at cost of acquisition

E) Deferred Tax Liability:

The Deferred tax charge or credit and the corresponding deferred tax liability or asset are recognised using the tax rates have been enacted or substantively enacted by the balance sheet date. The company recognized the deferred tax liability on date of balance sheet as per Accounting Standard 22 issued by the Institute of Chartered accountants of India.

As per Accounting Standard (AS) 22 being mandatory an amount of Rs.23578/- (Previous year 21271/-) has been debited to profit and Loss Account as deferred tax liability.

F) Contingencies and Events Occurring After the Date Of Balance Sheet:

- i) Accounting for contingencies (gains and losses) arising out of contractual obligation are made only on the basis of mutual acceptance.
- ii) Material events occurring after the date of balance sheet are considered up to the date of adoption of the Accounts.

G) Gratuity:

Provision for gratuity is made on accrual basis for one employee presently working with the company.

MARATHWADA REFRACTORIES LIMITED

H) Leave Encashment:

There is only one employee. As per terms of appointment there is no entitlement of Leave encashment.

I) Other Accounting Policies:

- i) These are consistent with the generally accepted accounting practices.
- ii) The outstanding balance of Debtors, Creditors, Deposits and advances are subject to confirmation.
- iii) In the opinion of the Board and to the best of their knowledge and belief the value on realisation on current assets, loans and advances in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet.

As per our Report of even date attached
For Khandelwal Jain & Co.
Chartered Accountants

(G.M. Bothara)
Partner
Membership No. 16119

Place: Aurangabad
Date: 27 May, 2009

For and on behalf of the Board of Directors

V.D. Jhunjhunwala
H.B. Belwal
Directors

Place: New Delhi
Date: 26 May, 2009

MARATHWADA REFRACTORIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I) Registration Details			
Registration No. 21846 State Code (Refer Code List) 0011			
Balance Sheet	31	03	2009
	Date	Month	Year
II) Capital raised during the year (Amount in Rs. Thousand)			
Public Issue	Right Issue		
Nil	Nil		
Bonus Issue	Private Placement		
Nil	Nil		
III) Position of Mobilization and Deployment of Funds (Amount in Rs. Thousand)			
Total Liabilities	107884	Total Assets	107884
<u>Sources of Funds</u>			
Paid up Capital	7000	Reserve & Surplus	100708
Secured Loan	Nil	Unsecured Loans	Nil
Deferred Tax Liabilities	175		
<u>Application of Funds</u>			
Net Fixed Assets	49	Investments	21
Net Current Assets	107814	Misc. Exps.	Nil
Accumulated Losses	Nil		
IV) Performance of Company (Amount in Rs. Thousand)			
Turnover	12190	Total Expenditure	1108
Profit before tax	11082	Profit after tax	9782
Earning per share In Rs.	13.97	Dividend	Nil
V) Generic Names of three Principal Products/Services of Company (As per monetary terms)			
Item Code No. (ITC Code)	320201000		
Product Description	i) Magnesite Ramming Mass		
Item Code No. (ITC Code)	320201008		
Product Description	ii) Magnesia Carbon Bricks		
Item Code No. (ITC Code)	320201008		
Product Description	iii) Chemically Bonded Steel Clad Bricks		

For Marathwada Refractories Limited

Place: New Delhi
Date: 26 May, 2009

H.B. Belwal
V.D. Jhunjhunwala
Directors

MARATHWADA REFRACTORIES LIMITED

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2009

PARTICULARS	As at		As at	
	31st March, 2009		31st March, 2008	
	Rs.		Rs.	
Net Profit/Loss before Taxes		11079602		49472849
Add: Depreciation	12811		17263	
Loss on sale of Investment	-		29100	
Sundry Balances Written off	741		-	
Excess Provision debited	-		3150	
Reinstatement Charges	361400		-	
Payment to DIC under Protest	51171		-	
Central Excise Balance w/f	5424		-	
Loss on sale of Fixed Assets	-	431547	362130	411643
Less: Dividend on Investment	765512		77649	
Interest Earned	10776987		5959204	
Surplus from Sale of Fixed Assets	111783		44049633	
Excess provision Written Back	-		379408	
Profit on Redemption	5224		-	
Sundry Balances W/up	250		55457	
		11659756		50521352
Operating Profit/(Loss)		(148608)		(636859)
A. ADJUSTMENTS FOR WORKING CAPITAL CHANGES				
Increase/(Decrease) in Trade and Other receivable	(224749)		(63041)	
Increase/(Decrease) Loans & Advances	(80008283)		79382816	
Increase/(Decrease) Other Current Assets	(366147)		366147	
Decrease/(Increase) in Trade Payables	97891		323423	
Decrease/(Increase) in Provision for Gratuity	(3914)	(80505202)	17371	80026716
Cash generated from operations		80356594		(80663575)
Add: Interest	10776987		5959204	
Less: Taxes Paid	(2458081)	8318906	(10388124)	(4428920)
Net Cash (Utilised)/Generated in Operating Activities		8867550		(85092495)
B. CASH FLOW FROM INVESTMENT ACTIVITIES				
Sale of Fixed Assets	121000		45000000	
Purchase of Fixed Assets	(10645)		-	
Sale of Investment in ICICI Income Plan	16048755		(15970900)	
Dividend of Investment	765512	16924622	294	29029394
Net Cash Generated from Investing Activities		16924622		29029394
C. CASH FLOW FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Unsecured Loans	6945		1500	
Reinstatement charges	(361400)		-	
		(354455)		1500
Cash used for financing activities		(354455)		1500
Net Change in Cash and Cash Equivalents		105245667		(56061602)
Cash and Cash Equivalents Closing Balance	106302411		1056744	
Cash and Cash Equivalents Opening Balance	1056744	105245667	57118345	(56061602)

For Marathwada Refractories Limited

Place : New Delhi
Date : 26 May, 2009

H.B. Belwal
V.D. Jhunjhunwala
Directors

We have Verified the above Cash Flow statement of Marathwada Refractories Ltd. derived from the audited annual financial statement for the year ended 31st March, 2009 and found the same to be drawn in accordance therewith and also with the requirements of clause of the listing agreements with Stock Exchange.

Place: Aurangabad
Date: 27 May, 2009

For Khandelwal Jain & Co.
Chartered Accountants
G.M. Bothara
Partner
Membership No. : 16119

MARATHWADA REFRACTORIES LIMITED

MARATHWADA REFRACTORIES LIMITED

Regd. Office: F-4/1, Chikalthana, Industrial Area, MIDC, Aurangabad-431210

PROXY FORM

Folio No. :

No. of Shares held :

I/We of in the District of being a member/members of the above Company hereby appoint Sh./Smt. of in the district of

As my/our proxy to attend and vote for me/us on my/our behalf at the 30th Annual General Meeting of the Company to be held on Wednesday the 30th day of September, 2009 at its Registered Office at F-4/1, Chikalthana, Industrial Area, MIDC, Aurangabad-431210 11.30AM and any adjournment thereof.

Agenda Item No.	Vote* In favour	Vote* against
1		
2		
3		

Affix
Revenue
Stamp

Signed this Day of 2009

Signature

Note: *Please tick (/) in this column wherever applicable.

The form should be signed across the stamp as per specimen signature with the Company. The proxy form must reach the Registered Office of the Company not less than 48 hours before the time fixed for holding the aforesaid meeting.

MARATHWADA REFRACTORIES LIMITED

Regd. Office: F-4/1, Chikalthana, Industrial Area, MIDC, Aurangabad-431210

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

#Folio No. :

No. Of Shares Held:

Name of the Member
(In block letters)

Name of the Proxy
(If any)

I hereby record my presence at the Annual General Meeting of the Company held on Wednesday the 30th day of September, 2009 at at F-4/1, Chikalthana, Industrial Area, MIDC, Aurangabad-431210 at 11.30AM

.....
Signature of the Member/Proxy

#ADMISSION SLIPS WITHOUT THIS INFORMATION WILL NOT BE ACCEPTED *

BOOK - POST
Under Certificate of Posting

If Undelivered Please Return to :

MARATHWADA REFRACTORIES LIMITED

4, Scindia House, Connaught Place, New Delhi - 110 001