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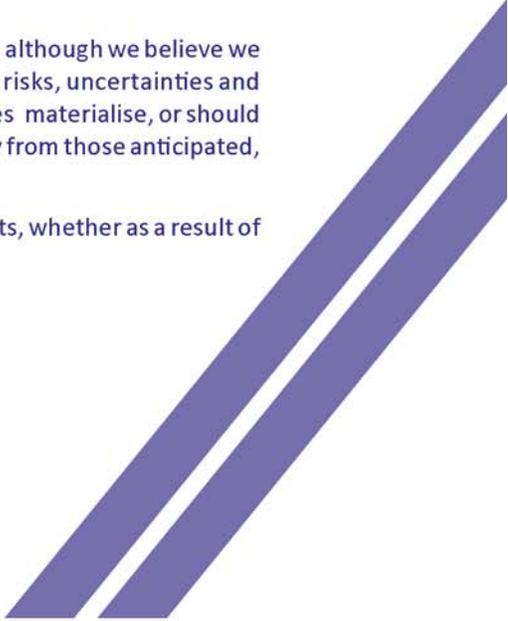


Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospect 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 of 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
S Khasnobis
Prof S Munshi
D G Rajan
Prof A N Sadhu
K S B Sanyal
S Tateishi

Chairman

S K Bajoria

Managing Director

P Bajoria

Company Secretary

R Agarwal

Auditors

Deloitte Haskins & Sells
Grant Thornton UK LLP
Crowe Horwath LLP
Rupa & Co.

Principal Bankers

State Bank of India
The Hongkong & Shanghai
Banking Corporation Ltd
Fifth Third Bank
Export Import Bank of India

Head & Corporate Office

McLeod House, 3, Netaji Subhas Road
Kolkata 700 001
Phone : +91 33 40106100
Fax : +91 33 22430886
E-mail : ifgl.ho@ifgl.in
Website : www.ifglref.com

Registered Office & Works

Sector 'B', Kalunga Industrial Estate
PO : Kalunga 770 031
Dist : Sundergarh, Odisha
Phone : +91 661 2660195
Fax : +91 661 2660173
E-mail : ifgl.works@ifgl.in

BETWEEN THE COVERS

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 25th Annual General Meeting of the Shareholders of IFGL Refractories Limited will be held on Friday, 22nd August 2014 at 11 AM at the Registered Office situated at Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha to transact following :

Ordinary Business

1. To receive, consider and adopt :
 - a) audited Financial Statements of the Company for financial year ended on 31st March 2014, reports of the Board of Directors and Auditors thereon and
 - b) audited Consolidated Financial Statements of the Company for financial year ended on 31st March 2014 and report of the Auditors thereon.
2. To declare Dividend on Preference and Equity Shares for financial year ended on 31st March 2014.
3. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), following resolution as an Ordinary Resolution :

“Resolved that M/s Deloitte Haskins & Sells (Regn No. 302009E), Chartered Accountants, be and is hereby appointed as the Statutory Auditors of the Company, to hold office immediately after conclusion of this Annual General Meeting until conclusion of 30th Annual General Meeting of the Company on such remuneration (including out of pocket expenses and reimbursement of expenses) as shall be fixed by the Board of Directors of the Company.”

Special Business

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

“Resolved that pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr D K Banerji (DIN : 03529129), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto the conclusion of the 30th Annual General Meeting of the Company.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“Resolved that pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Prof S Munshi (DIN : 03558948), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto the conclusion of the 30th Annual General Meeting of the Company.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

“Resolved that pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Prof A N Sadhu (DIN : 00052579), Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto the conclusion of the 30th Annual General Meeting of the Company.”

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

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

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr D G Rajan (DIN : 00303060), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto the conclusion of the 30th Annual General Meeting of the Company.”

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

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr K S B Sanyal (DIN : 00009497), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto the conclusion of the 30th Annual General Meeting of the Company.”

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

“Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr S Khasnobis (DIN : 00025497), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a Notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term upto the conclusion of the 30th Annual General Meeting of the Company.”

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

“Resolved that pursuant to provisions of Sections 196, 197, 203 and other applicable provisions, including Schedule V of the Companies Act, 2013 (the Act) and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force (corresponding to Sections 198, 269, 309 and other applicable provisions including Schedule XIII of the Companies Act, 1956) and subject to approval of the Central Government, if any, the Chairman, Mr S K Bajoria (DIN : 00084004), be re-appointed, liable to retire by rotation, for a period of 5 (five) years on and from 1st April 2015 on the terms and conditions and remuneration contained in the draft agreement proposed to be executed between the Company and Mr Bajoria, a copy whereof is placed for the meeting and for identification is initialed by the Chairman of the meeting of the Board of Directors held on 10th May 2014 and that such terms of appointment and remuneration can be varied, altered, modified except that the remuneration will not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr Bajoria and that in the event of loss or inadequate profit in any financial year during the term of his office from 1st April 2015, aggregate of his entitlement of remuneration then received by him will be the ‘minimum remuneration’ subject to such approvals including that of the Central Government as may be required, notwithstanding that the said remuneration shall exceed the limit of 5% of eligible Net Profit specified at Section 197 read with Section I of Part II of Schedule V of the Act.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

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

“Resolved that pursuant to provisions of Sections 196, 197, 203 and other applicable provisions, including Schedule V of the Companies Act, 2013 (the Act) and the Rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force (corresponding to Sections 198, 269, 309 and other applicable provisions including Schedule XIII of the Companies Act, 1956) and subject to approval of the Central Government, if any, the Managing Director, Mr P Bajoria (DIN : 00084031), be re-appointed, liable to retire by rotation, for a period of 5 (five) years on and from 1st April 2015 on the terms and conditions and remuneration contained in the draft agreement proposed to be executed between the Company and Mr Bajoria, a copy whereof is placed for the meeting and for identification is initialed by the Chairman of the meeting of the Board of Directors held on 10th May 2014 and that such terms of appointment and remuneration can be varied, altered, modified except that the remuneration will not exceed the limits specified in Schedule V to the Companies Act, 2013 (corresponding to Schedule XIII to the Companies Act, 1956), as may be agreed to by the Board of Directors and Mr Bajoria and that in the event of loss or inadequate profit in any financial year during the term of his office from 1st April 2015, aggregate of his entitlement of remuneration then received by him will be the ‘minimum remuneration’ subject to such approvals including that of the Central Government as may be required, notwithstanding that the said remuneration shall exceed the limit of 5% of eligible Net Profit specified at Section 197 read with Section I of Part II of Schedule V of the Act.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“Resolved that in supersession of Resolutions passed earlier under applicable provisions of the erstwhile Companies Act, 1956, at the General Meetings of the Members of the Company, consent of the Company be and is hereby accorded under provisions of Section 180(1)(c) of the Companies Act, 2013 (the Act) and other provisions, if any of the Act, as amended from time to time, to the Board of Directors of the Company for borrowing any sum/sums of money from time to time from any one or more of the Financial Institutions, Government, Government Bodies, Companies, Bankers and/ or other persons, or Bodies Corporate, whether by way of Term Loans, Cash Credit, Advance, Deposits, Bills Discounting or otherwise, and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties whether movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress and all or any of immovables/undertakings of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but, so however, that the total amount upto which the moneys may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of ₹ 500 crores (Rupees five hundred crores only) exclusive of interest and resolved further that to secure aforesaid borrowings, the Board of Directors are hereby further authorised to execute such deeds/documents for mortgage, charge, hypothecation, lien, promissory notes, deposits, receipts and other instruments or writings as may be required and containing such conditions and covenants as the Board of Directors may agree and that for the purpose also mortgage, by way of constructive delivery of Title Deeds or otherwise, on all of Company’s immovable properties including all lands and buildings and structures thereon, all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, for an outstanding aggregate borrowing not exceeding ₹ 500 crores (Rupees five hundred crores only) in accordance with provisions of Section 180(a) of the Act and also that for the purpose of implementation of this Resolution, the Board may act through any member thereof or Committee or any other person duly authorised by the Board in that behalf.”

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

“Resolved that pursuant to provisions of Section 188 and other applicable provisions of the Companies Act, 2013, consent

NOTICE OF ANNUAL GENERAL MEETING *(Contd.)*

of the Company be and is hereby accorded to the holding of and continuing to hold an office or place of profit with the Company by Mr Akshay Bajoria, being son of Mr P Bajoria, Managing Director of the Company, as General Manager (Commercial) on monthly Basic Salary of ₹ 1 (one) lac plus House Rent Allowance, Tiffin Allowance, Leave Travel Allowance, Medical Reimbursement, Provident Fund, Gratuity etc. and other benefits with effect from 1st April 2014, with an authority to the Company's Board of Directors to alter and/or vary terms and conditions of his continuation in said employment including designation, remuneration and other entitlements as deemed necessary, expedient, usual or proper in the best interest of the Company.

Resolved further that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

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

“Resolved that pursuant to Section 188 of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the said Act/Rules, approval of the Company be and is hereby given to the Board of Directors to enter into contract/arrangement for sale, purchase or supply of any goods or materials directly or through appointment of agents even if in excess of limit specified for purpose of Clause(a) and Clause(e) of Section 188(1) of the Act to or from Related Parties including Holding Company, Subsidiaries, Fellow Subsidiaries and Associates from time to time in the best interest of the Company.

Resolved further that approval of the Company be and is hereby also given to the Board of Directors to enter into contracts/arrangements for availing/rendering of any services directly or through appointment of agents even if in excess of limit specified for purpose of Clause (d) & (e) of Section 188(1) of the aforesaid Act to or from Related Parties including Holding Company, Subsidiaries, Fellow Subsidiaries and Associates from time to time in the best interest of the Company.

Resolved further that the Board of Directors be and is hereby authorised to do the needful and take necessary steps in the matter and settle any or all difficulties in its absolute discretion to implement the above Resolution for and on behalf of the Company.”

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

“Resolved that pursuant to provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to approvals, permissions and sanctions from the appropriate authority, if any, the Articles of Association of the Company be and are hereby altered in the manner set out herein below :

- i) The following Article be inserted as Article No. 61A after existing Article No. 61.

“61A. Electronic Voting

A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Companies Act, 2013 and shall vote only once.”

- ii) The following Article be inserted as Article No. 92A after existing Article No. 92.

“92A. Participation through Electronic Mode – Board Meeting

Notwithstanding anything contained in Article 92, the Director(s) of the Company may participate in the Meeting of the Board through Video Conference facility and/or any other permissible electronic or communication facility. Provided that such participation by the Director(s) at Meeting(s) of the Board through Video Conference facility and/or use of any other permissible electronic or communication facilities shall be subject to the Rules, guidelines and permission issued/laid down by the Regulatory/Statutory Authorities in this regard from time to time and Meeting(s) so conducted and attended by the Directors in the prescribed manner shall be deemed to have been conducted and attended as if the same has been at a duly convened meeting of the Board.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Resolved further that the Board of Directors be and is hereby authorised to take all the requisite, incidental, consequential and necessary steps to implement the foregoing resolution and to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, desirable or appropriate in the best interest of the Company, to settle any question, query, doubt or difficulty that may arise in this regard and to execute/publish all such notices, applications, deeds, agreements, documents, papers, undertakings/bonds and writings as may be necessary and required for giving effect to this resolution.”

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

“Resolved that pursuant to provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions and subject to necessary approvals, if any, remuneration, including reimbursement of expenses, out of pocket or otherwise, approved by the Board of Directors at the recommendation of the Audit Committee, of the Cost Auditor, M/s Mani & Co, Practicing Cost Accountants of 111, Southern Avenue, Kolkata 700 029 for financial year 2014-2015, be and is hereby ratified, with further authority to the Board of Directors to alter and/or vary the same in manner, as they may deem fit, proper and desirable, in the best interest of the Company, at the recommendation of the Audit Committee and also that the Board is authorised to do all acts and take all such steps, as may be necessary, in this connection.”

Registered Office :

Sector '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
Website : www.ifglref.com
Corporate Identification Number (CIN) : L27202OR1989PLC002971
Kolkata
10th May 2014

By Order of the Board
For IFGL Refractories Limited
R Agarwal
Company Secretary

IMPORTANT NOTES :

1. **A member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a Proxy to attend and vote on a poll instead of himself/herself and the Proxy need not be a member of the Company. A person can act as Proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the Total Share Capital of the Company.**

The instrument appointing the Proxy should, however, be deposited either at the Registered Office or Head and Corporate Office of the Company not less than 48 (forty eight) hours before the commencement of the AGM.

2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours upto the date of the Meeting.
7. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective Depository accounts will be used by the Company for payment of Dividend. Hence members are requested to intimate

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

immediately any change in their bank mandates to their Depository Participants with whom they are maintaining their Demat account. Members holding shares in physical form and desirous of either registering Bank particulars or changing Bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.

8. **Section 88 of the Act read with Rules framed thereafter provide for maintenance of Members Register having details like e-mail ID, Income Tax Permanent Account Number, Unique Identification Number, Father's/Mother's/Spouse's name, Status, Occupation and Nationality etc.** The Form for furnishing this information may be downloaded from Company's website www.ifglref.com and sent to the Company or its Registrar and Share Transfer Agent. Registration of e-mail ID will also facilitate receipt of all communication including Annual Report, Notices, and Circulars etc electronically from the Company. Nevertheless Annual Report is also available on the Company's website www.ifglref.com from where it can be downloaded by the Shareholders as and when required.
9. Electronic copy of the Annual Report for financial year 2013-2014 together with a copy of the Notice of the 25th Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent to all the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report for financial year 2013-2014 and other documents are being sent in the permitted mode.
10. Members may note that Annual Report for financial year 2013-2014 and Notice of the 25th Annual General Meeting will also be available on the Company's website www.ifglref.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Odisha for inspection during normal business hours on working days (except Saturdays) upto the date of the Meeting. Even after registering for e-communication, members are entitled to receive such documents in physical form, upon making a request for the same, by post free of cost.
11. Statement each having details as per Section II of Part II of Schedule V of the Act and brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and Memberships/Chairmanships of the Board Committees, shareholding and relationships between directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are annexed hereto. The Directors have furnished the requisite declarations for their re-appointment.
12. The Register of Members and Share Transfer Register of the Company will remain closed from Tuesday, 19th August 2014 to Friday, 22nd August 2014, both days inclusive, in connection with ensuing AGM and dividends proposed to be declared thereat.
13. If dividends, as recommended by the Board of Directors, are declared at ensuing AGM, payment will be made on or after Wednesday, 27th August 2014, to those Shareholders whose names shall appear on the Company's Register of Members :
 - i) as Beneficial Owners as at end of business hours on Monday, 18th August 2014 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in Dematerialised form.
 - ii) as Members in Register of Members of the Company after giving effect to valid Share Transfers lodged with the Company, on or before Monday, 18th August 2014.
14. In order to avoid risk of loss/interception of Dividend Warrants in postal transit and/or fraudulent encashment of Dividend Warrants, Shareholders are advised to avail of NECS facility whereby Dividend will be directly credited electronically to their respective Bank Accounts. This will ensure speedier credit of Dividend. You may download 'NECS Mandate Form' from Company's website www.ifglref.com and forward said Form duly filled and signed to the Company or its Registrars and Share Transfer Agent or Depository Participants, as the case may be, to avail benefit from this service.
15. Shareholders who have not yet encashed their Dividend Warrant(s) for financial years ended 31st March 2007, 31st March 2008, 31st March 2010, 31st March 2011, 31st March 2012 and 31st March 2013 issued by the Company are requested to make their claims to the Company accordingly, without any delay. No claims received for Unclaimed Dividend relating to financial year 2006-2007 will be entertained by the Company on and after 23rd September 2014, since thereafter same will be transferred to Investor Education and Protection Fund (IEPF). Pursuant to the provisions of IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

the details of unpaid and unclaimed amounts lying with the Company as on 23rd August 2013 (date of last Annual General Meeting) on the website of the Company www.ifglref.com, as also on the website of the Ministry of Corporate Affairs.

16. Equity Shares of the Company are available for dematerialisation both with the NSDL and CDSL.

Members holding shares in physical form are requested to notify/send following to the Registrars and Share Transfer Agent of the Company to facilitate better service :

- i) Any change in their address/mandate/bank details.
- ii) Share Certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such Shareholdings into one account.

Members holding shares in Demat form are requested to give all instructions directly to their Depository Participants.

17. Members are requested to quote the Folio No. or Client ID and DP ID numbers in all communications with the Company.
18. Presently Equity Shares of the Company are listed both on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
19. Reduction and consolidation of Equity Share Capital of the Company was carried out in the year 1996. Members still holding old Share Certificates are requested to surrender the same and obtain fresh Certificates in lieu thereof.
20. Persons who have become members of the Company consequent upon amalgamation of Indo Flogates Limited, are once again requested to surrender Certificates relating to their holding in said Company for despatch of new Certificates relating to their shareholding in the Company.
21. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company/its Registrar and Share Transfer Agent.
22. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.ifglref.com under the section 'Investor Relations'.
23. In compliance of Clause 5A of the Listing Agreement 4,488 Equity Shares of the Company issued in physical form pursuant to public/rights issue have been dematerialised and credited to an Unclaimed Suspense Account. Voting rights on such shares remain frozen and corporate benefits like dividend accruing on such shares are being credited also to an Unclaimed Suspense Account. Allottees, who may not have received Equity Shares applied pursuant to public/rights issue, may send details to the Company for necessary examination.
24. **Instructions for e-voting :**

The business of this Meeting may be transacted through electronic system and the Company is providing facility for voting by electronic means.

The process and manner of voting by electronic means, the time schedule including the time period during which the votes may be cast and all other necessary instructions and information in this respect have been given at the end of the Notice.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item Nos. 4, 5 and 6**

Mr D K Banerji, Prof S Munshi and Prof A N Sadhu are Independent Directors of the Company and are going to retire by rotation at the ensuing Annual General Meeting.

Following provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder read with Schedule IV to the Act and Clause 49 of the Listing Agreement, they are proposed to be re-appointed as Independent Directors for a term of five consecutive years upto conclusion of the 30th Annual General Meeting of the Company. None of them is disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

NOTICE OF ANNUAL GENERAL MEETING *(Contd.)*

Declarations from them that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and Clause 49 of the Listing Agreement have been received. Your Board is of the opinion that they fulfill conditions of appointment as Independent Directors specified in the Act and also in the Listing Agreement and are independent of the Management.

Brief resume of each of them, nature of their expertise, names of Companies in which they hold directorship and Membership/ Chairmanship of Board Committees, shareholding and relationship between Directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the statement appearing hereinafter.

Copy of the draft letters for respective appointment of Mr D K Banerji, Prof S Munshi and Prof A N Sadhu as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr D K Banerji, Prof S Munshi and Prof A N Sadhu are interested in the resolutions set out respectively at Item Nos. 4, 5 and 6 of the Notice with regard to their respective appointments.

The relatives of Mr D K Banerji, Prof S Munshi and Prof A N Sadhu may be deemed to be interested in the resolutions set out respectively at Item Nos. 4, 5 and 6 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out at Item Nos. 4, 5 and 6 of the Notice for approval by the Members.

Item No. 7

Mr D G Rajan is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 14th August 2000.

He is a Director whose period of office is liable to determination by retirement of Directors by rotation under applicable provisions of the erstwhile Companies Act, 1956. In terms of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder read with Schedule IV to the Act and Clause 49 of the Listing Agreement, he being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto conclusion of the 30th Annual General Meeting of the Company.

The Company has received Notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing candidature of Mr Rajan for the office of Director of the Company.

Declaration from him that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Clause 49 of the Listing Agreement has been received. Your Board is of the opinion that he fulfills conditions of appointment as Independent Directors specified in the Act and also in the Listing Agreement and is independent of the Management.

Brief resume of Mr Rajan, nature of his expertise, names of Companies in which he holds directorship and Membership/ Chairmanship of Board Committees, shareholding and relationship between Directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the statement appearing hereinafter.

Copy of the draft letter for appointment of Mr Rajan as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr Rajan is interested in the resolution set out respectively at Item No. 7 of the Notice with regard to his appointment.

The relatives of Mr Rajan may be deemed to be interested in the resolutions set out respectively at Item No. 7 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the Members.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)**Item No. 8**

Mr K S B Sanyal is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 27th November 1991.

He is a Director whose period of office is liable to determination by retirement of Directors by rotation under applicable provisions of the erstwhile Companies Act, 1956. In terms of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder read with Schedule IV to the Act and Clause 49 of the Listing Agreement, he being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto conclusion of the 30th Annual General Meeting of the Company.

The Company has received Notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing candidature of Mr Sanyal for the office of Director of the Company.

Declaration from him that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Clause 49 of the Listing Agreement has been received. Your Board is of the opinion that he fulfills conditions of appointment as Independent Directors specified in the Act and also in the Listing Agreement and is independent of the Management.

Brief resume of Mr Sanyal, nature of his expertise, names of Companies in which he holds directorship and Membership/ Chairmanship of Board Committees, shareholding and relationship between Directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the statement appearing hereinafter.

Copy of the draft letter for appointment of Mr Sanyal as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr Sanyal is interested in the resolution set out respectively at Item No. 8 of the Notice with regard to his appointment.

The relatives of Mr Sanyal may be deemed to be interested in the resolutions set out respectively at Item No. 8 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the Members.

Item No. 9

Mr S Khasnobis is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on 26th August 2011.

He is a Director whose period of office is liable to determination by retirement of Directors by rotation under applicable provisions of the erstwhile Companies Act, 1956. In terms of Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the Act) and Rules made thereunder read with Schedule IV to the Act and Clause 49 of the Listing Agreement, he being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years for a term upto conclusion of the 30th Annual General Meeting of the Company.

The Company has received Notice in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing candidature of Mr Khasnobis for the office of Director of the Company.

Declaration from him that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and Clause 49 of the Listing Agreement has been received. Your Board is of the opinion that he fulfills conditions of appointment as Independent Directors specified in the Act and also in the Listing Agreement and is independent of the Management.

Brief resume of Mr Khasnobis, nature of his expertise, names of Companies in which he holds directorship and Membership/ Chairmanship of Board Committees, shareholding and relationship between Directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the statement appearing hereinafter.

Copy of the draft letter for appointment of Mr S Khasnobis as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr Khasnobis is interested in the resolution set out respectively at Item No. 9 of the Notice with regard to his appointment.

The relatives of Mr Khasnobis may be deemed to be interested in the resolutions set out respectively at Item No. 9 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the Members.

Item Nos. 10 and 11

The Board of Directors of the Company at its meeting held on 10th May 2014 has, subject to the approval of the members, re-appointed Mr S K Bajoria as Chairman of the Company, for a period of five years from the expiry of his present term on 31st March 2015 at the remuneration recommended by the Nomination and Remuneration Committee (the Committee) and approved by the Board.

The Board of Directors at its meeting held on 10th May 2014 has also, subject to the approval of the members, re-appointed Mr P Bajoria as Managing Director of the Company, for a period of five years from the expiry of his present term on 31st March 2015, at the remuneration recommended by the Committee and approved by the Board.

Special Resolutions proposed are to seek the members' approval for the re-appointment of and remuneration payable to Mr S K Bajoria as Chairman and Mr P Bajoria as Managing Director in terms of applicable provisions of the Act. Broad break up of remuneration payable to each of them is as under :

Particulars	Mr S K Bajoria	Mr P Bajoria
Basic Salary (per month)	In the scale of ₹ 10 lacs plus an yearly increment not exceeding 25%	In the scale of ₹ 12 lacs plus an yearly increment not exceeding 25%
House Rent Allowance (per month)	Not applicable	20% of Basic Salary
Company leased rent free furnished Accomodation	At actuals	Nil
Reimbursement of Electricity, Gas, Water and Furnishings	At actuals	
Reimbursement of Medical Expenses for self and family	At actuals	
Leave Travel Concession for self and family once in a year	At actuals	
Fees of clubs (excluding Admission and Life Membership Fees)	At actuals	
Personal Accident Insurance	As per Company's Scheme	
Provident Fund, Superannuation and Gratuity Benefits	As per Company's Scheme	
Commission	@1% per annum of eligible Net Profit	

In addition to salary, perquisites and allowances, Mr S K Bajoria and Mr P Bajoria shall be entitled to receive remuneration based on Net Profits of each of the relevant year, as may be approved by the Board, on the recommendation of the Committee.

Furthermore, remuneration including allowances, perquisites and additional remuneration, if any, based on Net Profits will be within individual limit of 5% and overall limit of 10% of eligible Net Profit of each of the respective year.

The Board of Directors at the recommendation of the Committee and in consultation with the appointees shall be authorised to increase, reduce, alter or vary the remuneration and perquisites including monetary value thereof at any time and from time to time in such manner as the Board of Directors may, in its absolute discretion, deem fit, proper and necessary.

In addition to remuneration including perquisites and allowances, the appointees shall be entitled to reimbursement of expenses incurred for traveling, boarding and lodging during business trips, provision of car and telephone at residence for use on the Company's business and such expenses shall not be considered as perquisites.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Aforesaid entitlement of remuneration and perquisites of the appointees will be 'minimum remuneration' should there be loss or inadequate profit in any financial year during term of their office effective 1st April 2015, subject to such approvals as may be required including yours in the ensuing Annual General Meeting and that of the Central Government, notwithstanding said remuneration exceeds the limit of 5% of eligible Net Profit for each of them.

The Chairman and Managing Director will perform their respective duties as such with regard to all work of the Company and they will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and functions of the Managing Director will be under the overall authority of the Chairman.

The Chairman and Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

The Chairman and Managing Director shall adhere to the Company's Code of Conduct for Board of Directors and Senior Management Personnel.

The office of the Chairman and Managing Director may be terminated by the Company or the concerned Director by giving the other 3 (three) months prior notice in writing.

Mr S K Bajoria and Mr P Bajoria satisfy all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under Sub-section (3) of Section 196 of the Act for being eligible for their re-appointment. They are not disqualified from being appointed as the Chairman and Managing Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr S K Bajoria and Mr P Bajoria under Section 190 of the Act and Clause 49 of the Listing Agreement with Stock Exchanges.

Brief resume of Mr S K Bajoria and Mr P Bajoria, nature of their expertise in specific functional areas, names of Companies in which they hold directorships and Memberships/Chairmanships of Board Committees, shareholding and relationships amongst directors inter se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Statement appearing hereinafter.

Mr S K Bajoria and Mr P Bajoria are interested in the resolutions set out respectively at Item Nos. 10 and 11 of the Notice, which pertain to their respective re-appointments and remuneration payable to each of them.

The relatives of Mr S K Bajoria and Mr P Bajoria may be deemed to be interested in the resolutions set out respectively at Item Nos. 10 and 11 of the Notice, to the extent of their interest including shareholding, if any, in the Company.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends Special Resolutions set out at Item Nos. 10 and 11 of the Notice for approval by the Members.

Item No. 12

Sections 180(1)(a) and 180(1)(c) of the Companies Act, 2013 have replaced Sections 293(1)(a) and 293(1)(d) of the erstwhile Companies Act, 1956 on and from 12th September 2013 and provide that the Board of Directors of the Company cannot exercise powers with regard to mortgages and borrowings (in excess of the aggregate of the paid up share capital and free reserves of the Company) without your consent by way of Special Resolution. Special Resolution proposed is for this purpose and in supersession to resolutions passed with regard thereto earlier in Annual General Meeting held on 24th August 2007.

Special Resolution proposed will enable your Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business but not exceeding the limit of ₹ 500 crores and secure the same by creation of mortgages on assets including immovable assets of your Company, both present and future.

None of the Directors/Key Managerial Personnel or their relatives is interested or concerned, financially or otherwise, in the resolutions set out at Item No. 12.

Your Directors recommend passing of said Special Resolution.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)**Item No. 13**

The proposed resolution is to seek your consent for appointment of Mr Akshay Bajoria, being son of Managing Director, Mr P Bajoria, as General Manager (Commercial) on monthly Basic Salary of ₹ 100,000/- plus House Rent Allowance, Tiffin Allowance, Leave Travel Allowance, Medical Reimbursement, Provident Fund, Gratuity etc. and other benefits with effect from 1st April 2014, with an authority to your Board to alter and/or vary terms and conditions at the recommendation of the Nomination and Remuneration Committee and subject to approval of your Board as well as Shareholders in their ensuing Annual General Meeting in accordance with provisions of Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014. Mr Akshay Bajoria, who is a Graduate in 'Finance and Business Administration' from San Diego University, California, is employed with the Company on and from 2nd January 2012 as Executive Trainee and thus has more than two years of hands on working experience. It has been thought desirable that he is entrusted with increased role and responsibility and designation and remuneration proposed are commensurate therewith and also more or less similar to that being paid to the ranks equivalent in the Company and manufacturing industry at large.

Your Directors recommend that the resolution proposed is passed in the interest of the Company.

None of the Directors other than Mr P Bajoria, or Key Managerial Personnel or their relatives is interested or concerned, financially or otherwise, in said resolution.

Item No. 14

Your Company enters into from time to time contracts and/or arrangements with related parties with regard to sale, purchase or supply of goods or materials, availing or rendering of services. Although said transactions are entered into by your Company in the ordinary course of business and also at arms length, proposed resolution is for your approval in terms of proviso to Section 188(1) of the Companies Act, 2013 read with Rules framed therefor.

Your Directors recommend passing of the proposed resolution in the interest of the Company.

None of the Directors/Key Managerial Personnel or their relatives is interested or concerned, financially or otherwise, in said resolution save and except to the extent contracts or arrangements will pertain to related parties.

Item No. 15

Section 108 of the Companies Act, 2013 (the Act) provides that a member may exercise his right to vote through electronic means. Similarly, Section 173 of the Act and Rules framed thereunder have recognised participation in Board Meeting either through video conferencing or other audio visual means. Your Directors have thought it fit and desirable to include these provisions in the Articles of Association of your Company by inserting new Article 61A - Electronic Voting and Article 92A - Participation through Electronic Mode - Board Meeting and thus propose that to that extent the Articles of Association of your Company are amended.

Special Resolution proposed is for this purpose and your Directors recommend passing of the same.

None of the Directors/Key Managerial Personnel or their relatives is interested or concerned, financially or otherwise, in said resolution.

Item No. 16

Your Company is required to maintain cost records and have the same audited by a Cost Auditor following provisions of Section 148 of the Companies Act, 2013 corresponding to Section 233B of the erstwhile Companies Act, 1956. The Board of Directors accordingly at the recommendation of the Audit Committee of the Board has re-appointed M/s Mani & Co, Cost Accountants, at a remuneration to be finalised in due course in consultation with said Cost Auditor plus applicable taxes thereon and reimbursement of expenses including out of pocket or otherwise, for financial year 2014-2015. Rule 14 of the Companies (Audit and Auditors) Rules, 2014 inter alia provide for ratification of remuneration of the Cost Auditor by the shareholders and hence, the proposed resolution.

Your Directors recommend passing of the same as the same is in the interest of the Company.

None of the Directors/Key Managerial Personnel or their relatives is interested or concerned, financially or otherwise, in said resolution.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)
Details of Directors seeking re-appointment at the Annual General Meeting :

Name of the Directors	S K BAJORIA (1)	P BAJORIA (2)	D K BANERJI (3)	S KHASNOBIS (4)	PROF S MUNSHI (5)
Date of Birth	19/02/1957	23/03/1960	19/01/1956	30/07/1954	02/07/1944
Expertise in Specific Functional Area	<ul style="list-style-type: none"> Well known Industrialist and Promoter of diversified S K Bajoria Group. Way back in early eighties, promoted Indo Flogates Limited with technical and financial collaboration of Flogates Limited, UK. Associated with the Company right from its inception and has intricate knowledge and wide experience of handling business of manufacturing of Specialized Refractories. Has been Honorary Vice Consul of Denmark in Kolkata, President of the Indian Chamber of Commerce, Director of West Bengal Industrial Development Corporation Limited and Industrial Promotion & Investment Corporation of Orissa Limited. Has been decorated by Knighthood from Denmark and Italy. 	<ul style="list-style-type: none"> Associated with Company right from its inception and has a wide knowledge and intricate experience of Refractory business. Has been Director & Chief Executive of erstwhile Indo Flogates Limited. Has been involved in various capacities in Indian Refractories Makers Association. 	<ul style="list-style-type: none"> Senior Advocate, practicing in Hon'ble Supreme Court of India in field of Civil and Commercial Laws. 	<ul style="list-style-type: none"> Career banker with broad and diversified experience in development banking and project finance, structured finance, investment banking and loan origination, stressed assets management and workouts. Accredited with conceptualization and implementation of ARC business model in India by framing business strategies development of guidelines, framework and policies - familiarizing the Indian banking system to the concept of ARC business. A self-starter with strong entrepreneurial skills, who has consistently demonstrated innovative restructuring capabilities backed by sound understanding of several business verticals - led large teams of highly skilled professionals - showed a consistent track record. Held the position of Managing Director & CEO of Asset Reconstruction Company of (India) Limited, the pioneer Asset Reconstruction Company (ARC) in India for 5 years. 	<ul style="list-style-type: none"> Retired Professor of Sociology, Indian Institute of Management, Calcutta (IIMC), has researched and taught in India and abroad. Has served for more than thirty years as a faculty member at IIMC prior to his retirement in 2006. He was the academic leader of an international project on good governance that was supported by the European Commission in which several European institutions of higher education, including the London School of Economics, took part. The outcome of this project has appeared as a book under the title Good Governance, Democratic Societies and Globalisation (Sage, 2004). More recently, has published with others yet another book on the theme : The Intelligent Person's Guide to Good Governance (Sage, 2009). His article 'For Great Leadership' has appeared in Fabrice Lehmann and Jean-Pierre Lehmann (eds.), Peace and

Notice of Annual General MeetingDirectors' Report and Management Discussion & Analysis Report
Report on Corporate Governance**NOTICE OF ANNUAL GENERAL MEETING (Contd.)**

Name of the Directors	S K BAJORIA (1)	P BAJORIA (2)	D K BANERJI (3)	S KHASNOBIS (4)	PROF S MUNSHI (5)
					<p>Prosperity through World Trade (CUP, 2010).</p> <ul style="list-style-type: none"> Frequently invited to lecture at national and international conferences. He has spoken recently on such varied subjects as management and leadership challenges in the present century, values in the era of globalisation, and global crisis. Serves as a Member of the Council of Global Thought Leaders for the project on Globalisation, Corporate Leadership & Inclusive Growth, a project of the Evian Group at the International Institute for Management Development (IMD), Lausanne.
Qualification	B.Com (Hons.)	B.Com (Hons.)	Senior Advocate	Mechanical Engineer	M.A., Dr. Soz. Wiss.
Board Membership of other Companies as on 31st March 2014	<ol style="list-style-type: none"> Bajoria Holdings Private Limited Coris Heritage Asia Pacific Private Limited Bajoria Service Providers Private Limited Ganges Art Gallery Private Limited Bajoria Financial Services Private Limited Heritage Health TPA Private Limited Heritage Health Knowledge Services Private Limited Krosaki IFGL Refractories Private Limited 	<ol style="list-style-type: none"> Heritage Insurance Brokers Private Limited Krosaki IFGL Refractories Private Limited Birdie Trading Private Limited Cellour Commercial Private Limited ASAP Enterprises Private Limited Snehdeep Vanijya Private Limited Bluesnow Realcon Private Limited Bajoria Enterprises Limited IFGL Bio Ceramics Limited 	Nil	<ol style="list-style-type: none"> Agility Multitrade Private Limited I Care Learning Private Limited Kinderton Pte. Limited Soter Capital Management Pte. Limited Ayushi Investcorp Pte. Limited 	<ol style="list-style-type: none"> I Care Learning Private Limited

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Name of the Directors	S K BAJORIA (1)	P BAJORIA (2)	D K BANERJI (3)	S KHASNOBIS (4)	PROF S MUNSHI (5)
	9. Bajoria Enterprises Limited 10. IFGL Bio Ceramics Limited 11. IFGL Exports Limited 12. IFGL Worldwide Holdings Limited 13. IFGL Monocon Holdings Limited	10. IFGL Exports Limited			
Chairman/Member of the Committee of the Board of Directors of the Company as on 31st March 2014	Chairman in : 1. Investment Committee Member in : 1. Stakeholders Relationship Committee	Member in : 1. Stakeholders Relationship Committee 2. Investment Committee	Nil	Member in : 1. Investment Committee	Nil
Chairman/Member of the Committee of Directors of other Public Company of which he is Director as on 31st March 2014	Nil	Nil	Nil	Nil	Nil
Shareholding as on 31st March 2014	770,732	61,000	Nil	Nil	Nil
Relationship between Directors inter se	None	None	None	None	None

Name of the Directors	D G Rajan (6)	Prof A N Sadhu (7)	K S B Sanyal (8)
Date of Birth	10/01/1941	02/10/1939	01/12/1932
Expertise in Specific Functional Area	<ul style="list-style-type: none"> Was a Partner of Lovelock & Lewes, Chartered Accountants from 1967 and retired as a Senior Partner in 1990. Was also : <ul style="list-style-type: none"> President of the Management Consultants Association of India. Chairman of the Southern Region of the Indian Paint Association. Chairman of Direct Tax Committee of Southern India Chamber of Commerce. Member of Board of Governors of The Doon School. 	<ul style="list-style-type: none"> Was Partner of Price Waterhouse, Chartered Accountants from 1st January 1978 and retired therefrom as Managing Partner on 31st March 1996. Was Professor in Finance with Vinod Gupta School of Management, IIT situated at Kharagpur (West Bengal in India) till December 2010. 	<ul style="list-style-type: none"> Has been the National Special Advisor to UNDP in India. Was the Sheriff of Kolkata in the year 1986 and 1987. Was Chairman and Managing Director of the Andrew Yule & Co Limited. Was President of the Bengal Chamber of Commerce and Industry. Was also Chairman of the Committee on Environment of the ASSOCHAM.
Qualification	Fellow Member of The Institute of Chartered Accountants of India and The Institute of Chartered Accountants of England and Wales.	Fellow Member of The Institute of Chartered Accountants of India and The Institute of Chartered Accountants of England and Wales.	Masters in Arts (English), Companion of the British Institute of Management and Fellow of the Institute of Petroleum, London.

Notice of Annual General MeetingDirectors' Report and Management Discussion & Analysis Report
Report on Corporate Governance**NOTICE OF ANNUAL GENERAL MEETING (Contd.)**

Name of the Directors	D G Rajan (6)	Prof A N Sadhu (7)	K S B Sanyal (8)
Board Membership of other Companies as on 31st March 2014	<ol style="list-style-type: none"> Solvay Specialities India Private Limited Equitas Housing Finance Private Limited Ahlers India Private Limited Lotte India Corporation Limited Balaji Telefilms Limited Balaji Motion Pictures Limited Bolt Media Limited 	<ol style="list-style-type: none"> Heritage Health TPA Private Limited MM Aqua Technologies Limited Tega Industries Limited Khadim India Limited Tega Industries (SEZ) Limited 	<ol style="list-style-type: none"> Phillips Carbon Black Limited Woodland Multispeciality Hospital Limited IFGL Exports Limited Cimmco Limited
Chairman/Member of the Committee of the Board of Directors of the Company as on 31st March 2014	Member in : <ol style="list-style-type: none"> Nomination and Remuneration Committee Audit Committee 	Chairman in : <ol style="list-style-type: none"> Nomination and Remuneration Committee Member in : <ol style="list-style-type: none"> Audit Committee 	Chairman in : <ol style="list-style-type: none"> Audit Committee Stakeholders Relationship Committee Member in : <ol style="list-style-type: none"> Nomination and Remuneration Committee
Chairman/Member of the Committee of Directors of other Public Company of which he is Director as on 31st March 2014	Chairman in : <ol style="list-style-type: none"> Audit Committee of Balaji Telefilms Limited, Balaji Motion Pictures Limited and Lotte India Corporation Limited 	Chairman in : <ol style="list-style-type: none"> Audit Committee in Khadim India Limited and Tega Industries Limited Member in : <ol style="list-style-type: none"> Remuneration Committee of Khadim India Limited 	Chairman in : <ol style="list-style-type: none"> Audit Committee of Phillips Carbon Black Limited and Cimmco Limited Remuneration Committee of Phillips Carbon Black Limited Member in : <ol style="list-style-type: none"> Shareholders' Grievance Committee of Phillips Carbon Black Limited Share Transfer Committee of Woodland Multispeciality Hospital Limited
Shareholding as on 31st March 2014	8,894	850	Nil
Relationship between Directors inter se	None	None	None

Statement having details as per Section II of Part II of Schedule V of the Act :**1. General Information**

Nature of Industry	The Company is primarily engaged in manufacture of Specialized Refractories and Operating Systems therefor for use by producers of Iron and Steel.			
Date or expected date of commencement of commercial production	Strictly not applicable. The Company however first commenced commercial production way back in February 1993.			
In case of new Companies, expected date of commencement of activities as per project approved by the Financial Institutions appearing in the Prospectus	Not Applicable.			
Financial Performance for financial year 2013-2014 based on given indicators		Total Revenue (₹ in lacs)	Profit before Tax (₹ in lacs)	Profit for the year (₹ in lacs)
	Stand-alone	32,894.52	3,722.72	2,434.71
	Consolidated	78,099.51	9,057.04	6,401.02
Export Performance and Net Foreign Exchange Collaborations	Exports : ₹ 18,828.53 lacs (including indirect) for financial year 2013-2014.			
Foreign investments or collaborations, if any	Krosaki Harima Corporation (KHC), Japan hold 5,006,956 Equity Shares of the Company. KHC, being subsidiary of Nippon Steel Corporation, Japan, is also Company's technical collaborator.			

NOTICE OF ANNUAL GENERAL MEETING (Contd.)
2. Information about the Appointees

Particulars	Mr S K Bajoria	Mr P Bajoria
Background details, Job Profile and his suitability	<ul style="list-style-type: none"> Industrialist. Way back in early eighties, promoted Indo Flogates Limited with technical and financial collaboration of Flogates Limited, UK. Associated with the Company right from its inception. Has intricate knowledge and wide experience of handling business of manufacturing of Specialized Refractories. Promoter of the diversified S K Bajoria Group. 	<ul style="list-style-type: none"> Associated with the Company right from its inception. Has wide knowledge and intricate experience of Refractory business. Was Director and Chief Executive of erstwhile Indo Flogates Limited. Under his leadership the Company has grown phenomenally in terms of products and operations. The Company has manufacturing facilities now in seven countries.
Past Remuneration	For financial year 2013-2014, remuneration paid aggregated to ₹ 177.75 lacs only.	For financial year 2013-2014, remuneration paid aggregated to ₹ 200.42 lacs only.
Recognition or awards	<ul style="list-style-type: none"> Was the President of Indian Chamber of Commerce, Kolkata. Was Board member of <ol style="list-style-type: none"> Industrial Promotion Investment Corporation of Orissa Limited and West Bengal Industrial Development Corporation. Was Honorary Vice Consul of Denmark in Kolkata. Has been decorated by Knighthoods from the Governments of Denmark and Italy. 	A well known person in India and abroad amongst manufacturers of Specialized Refractories and Operating System therefor and producers of Iron and Steel etc.

3. Remuneration Proposed

Basic Salary (per month)	In the scale of ₹ 10 lacs plus an yearly increment not exceeding 25%	In the scale of ₹ 12 lacs plus an yearly increment not exceeding 25%
House Rent Allowance (per month)	Not applicable	20% of Basic Salary
Company leased rent free furnished Accomodation	At actuals	Nil
Reimbursement of Electricity, Gas, Water and Furnishings	At actuals	
Reimbursement of Medical Expenses for self and family	At actuals	
Leave Travel Concession for self and family once in a year	At actuals	

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Particulars	Mr S K Bajoria	Mr P Bajoria
Fees of clubs (excluding Admission and Life Membership Fees)	At actuals	
Personal Accident Insurance	As per Company's Scheme	
Provident Fund, Superannuation and Gratuity Benefits	As per Company's Scheme	
Commission	@1% per annum of eligible Net Profit	

In addition to salary, perquisites and allowances, Mr S K Bajoria and Mr Pradeep Bajoria shall be entitled to receive remuneration based on Net Profits of each of the relevant year, as may be approved by the Board, on the recommendation of the Committee.

Particulars	Mr S K Bajoria	Mr P Bajoria
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Company is engaged in highly specialized products and hence strictly not comparable with other Indian Companies. Remuneration including perquisites payable are commensurate to stature and profile of the appointee, his role and responsibilities and modest and comparable with that paid by other Companies at large.	The Company is engaged in highly specialized products and hence strictly not comparable with other Indian Companies. Remuneration including perquisites payable are commensurate to stature and profile of the appointee, his role and responsibilities and modest and comparable with that paid by other Companies at large.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Nil except those stated hereinabove. Not related to any Director of the Company.	Nil except those stated hereinabove. Not related to any Director of the Company.

4. Other Information**1. Reasons of loss or inadequate profits :**

The Company has uninterruptedly been operating satisfactorily in as much as profit eligible for managerial remuneration has by and large been sufficient to effect payment thereof within the limits specified at Section 197 and Schedule V of the Companies Act, 2013 without previous approval of the Central Government except for financial year 2009-2010 when waiver for remuneration paid in excess of said limits was sought for from the Central Government. The Company is however engaged in manufacturing activities and thus susceptible to several micro and macro factors beyond its control and as a result thereof may incur loss or have inadequate profits for payment of managerial remuneration more fully mentioned herein above as 'minimum remuneration'.

2. Steps taken or proposed to be taken for improvement :

It is a continuous endeavor of the Company to improve upon its performance.

3. Expected increase in productivity and profits in measurable terms :

The Company expects to have significantly improved financial/operational performance for financial years 2015-2020 and thus have sufficient profits for payment of managerial remuneration. The Company is however susceptible to several micro and macro factors beyond its control and hence to that extent performance achieved may vary.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

Instructions for Voting through Electronic Means

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and thus transact the business mentioned in Notice of AGM through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using e-voting facility and a member may avail of said facility at his/her discretion following the procedure below.

Your DP ID/Client ID Number/Folio Number has been enrolled by the Company for your participation in e-voting on resolutions placed by the Company on e-voting system.

1. The procedure to be followed for voting electronically is as under :
 - i) Log on to the e-voting website www.evotingindia.com
 - ii) Click on "Shareholders" tab.
 - iii) Now, select "IFGL REFRACTORIES LIMITED" from the drop down menu and click on "SUBMIT".
 - iv) Now Enter your User ID (For CDSL : 16 digits beneficiary ID; For NSDL : 8 Character DP ID followed by 8 Digits Client ID; Members holding Shares in Physical Form should enter Folio Number registered with the Company) and then enter the Image Verification as displayed and Click on Login.
 - v) If you are holding Shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user, fill up the following details in the appropriate boxes and follow the steps given below (Applicable for both Demat Shareholders as well as Physical Shareholders).

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.
DOB#	Enter the Date of Birth as recorded in your Demat Account or in the Company records for the said Demat Account or Folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your Demat Account or in the Company records for the said Demat Account or Folio.

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. Sequence number is being communicated to you.

Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or Company please enter the Member ID/Folio Number in the Dividend Bank details field.

- vi) After entering these details appropriately, click on 'SUBMIT' tab.
- vii) Member holding Shares in Physical Form will then reach directly to the Company Selection screen. However, members holding Shares in Demat Form will now reach 'Password Creation' menu wherein you are required to mandatorily enter your login password in the new password field. Kindly note that this password is to be also used by the Demat Holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For Members holding Shares in Physical Form, the details can be used only for e-voting on the Resolutions contained in this Notice.

NOTICE OF ANNUAL GENERAL MEETING (Contd.)

- ix) Click on the EVSN for the relevant 'IFGL REFRACTORIES LIMITED' on which you choose to vote.
 - x) On the voting page, you will see 'Resolution Description' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xi) Click on the 'Resolutions File Link' if you wish to view the entire Resolutions.
 - xii) After selecting the Resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
 - xiii) Once you 'CONFIRM' your vote on the Resolution, you will not be allowed to modify your vote.
 - xiv) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the voting page.
 - xv) If Demat Account holder has forgotten the changed password then enter the User ID and Image Verification and click on Forgot Password and enter details as prompted by the system.
 - xvi) Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.
2. Institutional Shareholders (i.e. other than Individual, HUF, NRI etc.) are required to also send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote through e-mail at investorcomplaints@ifgl.in or mdpl@cal.vsnl.net.in or mdpldc@yahoo.com or smguptaandco@yahoo.com or smguptaandco@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com before Saturday, 16th August 2014 without which the e-vote shall not be treated as valid.

General :

- a) In case of any queries regarding e-voting you may refer to the 'user manual for shareholders to cast their votes' available at www.evotingindia.co.in under 'HELP' or contact the Company or Registrar & Share Transfer Agent or send mail to helpdesk.evoting@cdslindia.com or mdpl@cal.vsnl.net.in or mdpldc@yahoo.com
- b) The e-voting period commences on Saturday, 16th August 2014 (9:00 AM) and ends on Monday, 18th August 2014 (6:00 PM). During this period the Shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.
- c) The voting rights of Shareholders shall be in proportion to their shares of the paid up equity shares capital of the Company as on Friday, 18th July 2014.
- d) Mr S M Gupta, Practicing Company Secretary, Kolkata has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- e) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- f) The result shall be declared on or after the AGM of the Company. The results of the e-voting along with the Scrutinizer's Report shall be placed in the Company's website www.ifglref.com and on the website of CDSL within two days of passing of the resolution at the AGM of the Company. The results will also be communicated to the Stock Exchanges where the shares of the Company are listed.

Annual Certificate under Clause 49(I)(D) of Listing Agreement with the Stock Exchanges

DECLARATION

As required under Clause 49(I)(D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board Members and Senior Management Personnel i.e. employees in the grades of General Manager and above, of the Company have complied with the Code of Conduct of the Company for financial year ended 31st March 2014.

Kolkata
10th May 2014

P Bajoria
Managing Director

Certificate of Compliance from Auditors as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges

TO THE MEMBERS OF IFGL REFRACTORIES LIMITED

We have examined the compliance of conditions of Corporate Governance by IFGL Refractories Limited for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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.

Kolkata
10th May 2014

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

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS

Dear Shareholders

Your Directors are pleased to present the 25th Annual Report together with Statement of Profit and Loss for financial year ended on 31st March 2014 and Balance Sheet as on that date along with Notes, Cash Flow Statement and Auditors' Report forming part thereof.

Performance of your Company for financial year ended on 31st March 2014 on Consolidated and Stand-alone basis have been as follows :

	(₹ in Millions)	
	Consolidated	Stand-alone
Total Revenue	7,809.95	3,289.45
Total Expenses	6,680.02	2,823.95
EBIDTA	1,129.93	465.50
Finance Cost	69.45	23.00
Depreciation and Amortisation Expense	154.78	70.23
Profit before Tax	905.70	372.27
Provision for Current Tax/Deferred Tax	248.03	128.80
Profit after Tax excluding Minority Interest	657.67	243.47
Earning Per Share	18.25	6.79

Total Revenue, Profit before Tax and Profit for the year on Consolidated basis, are higher by ₹ 1,052.80 Millions (15.6%), ₹ 492.52 Millions (119%) and ₹ 357.98 Millions (127%) respectively compared to that of previous year ended on 31st March 2013. Earning Per Share has more than doubled and is ₹ 18.25 compared to ₹ 7.91 of the previous year. Similarly, Total Revenue, Profit before Tax and Profit for the year on Stand-alone basis are higher by ₹ 203.58 Millions (6.6%), ₹ 118.47 Millions (47%) and ₹ 72.84 Millions (43%) respectively. Earning Per Share is ₹ 6.79 compared to ₹ 4.69 of the previous year.

The aforesaid strong performance is a result of an all round good performance, including your Subsidiary Companies. Rationalisation of Raw Material and major expenses, coupled with a more efficient management of working capital made your Company more competitive and profitable. Despite following a conservative policy of booking future Foreign Exchange, your Company still benefited from Rupee depreciation specially against Euro and Sterling Pound.

Dividend

Your Directors are pleased to recommend payment of Dividend as follows for the year 2013-2014 subject to necessary approvals, including your approval at the ensuing Annual General Meeting :

- a) 5% on Preference Shares of ₹ 100/- each i.e. ₹ 5/- per Preference Share.
- b) 17.50% on Equity Shares of ₹ 10/- each i.e. ₹ 1.75 per Equity Share.

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS *(Contd.)*

Dividend on Equity Shares has been recommended following your Company's Policy of distributing maximum profits amongst the Shareholders and is higher by 2.50% i.e. ₹ 0.25 per Equity Share than that paid for previous year.

Subsidiary Companies

During financial year 2013-2014, Subsidiaries of your Company particularly in the UK and USA performed strong. Total Income, Profit before Tax and Profit after Tax of overseas operations increased by ₹ 686 Millions (18%), ₹ 221 Millions (106%) and ₹ 177.98 Millions (135%) respectively compared to that of the previous year.

Stabilizing the quality of Isostatic Refractories in a new production facility is very crucial and time consuming. Your Directors are very pleased to report that this has been achieved by your Indian Subsidiary, IFGL Exports Limited. This has resulted in satisfactory performance inasmuch as Total Revenue increased by ₹ 309.09 Millions (339%). Profit before Tax has been ₹ 34.73 Millions compared to a loss of ₹ 57.21 Millions of the previous year. Despite this Subsidiary having substantial carry forward losses, it has effected payment of Minimum Alternate Tax of ₹ 3.50 Millions.

Your Directors are pleased to report that one of your Subsidiaries in the USA (EIC) and the Indian Subsidiary are taking steps to expand their respective production capacity. Your Directors are confident that operations of Subsidiaries will further improve during current financial year 2014-2015 barring unforeseen circumstances.

Industry Structure, Developments, Opportunities, Threats, Risks and Concerns and Future Outlook

During financial year 2013-2014, Steel Industry both in India and abroad continued to go through the process of consolidation and/or stabilization. While Steel Industry in Americas did well, that of China, Europe and Asia Pacific are still trying to recover and factors like weakened economy, increased cost of inputs particularly employees and power and fuel, political instability etc. appears to have obstructed recovery of the same to a large extent. Your Directors are however optimistic and are of the view that during current financial year, performance of Iron and Steel Industry will improve and consequently results of industries ancillary to the same.

On a Consolidated basis, only about 20% of sales of your Company is from India and your Directors are of the view that the same will increase substantially with the Indian economy improving in the coming year, especially with the increased thrust on infrastructure development to give required boost to otherwise slackening economy.

Bio Ceramic business performed better than that for previous year. Focus on this business and also few more new identified products will be stepped up during current financial year.

For improved investor relation, your Company has taken steps to improve the communication with them.

Corporate Governance/Internal Control System and their adequacy

A detailed Report on Corporate Governance Compliance duly certified by the Company's Statutory Auditors form part of this Report as **Annexure 'A'**. Corporate Governance policies and procedures practiced by your Company is one of the tenets of its philosophy for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

The members of Audit Committee of Directors of your Company are in conformity with provisions of Section 177 of the Companies Act, 2013 (the Act) read with revised Clause 49 of the Listing Agreement and terms of reference thereof has been modified to include matters specified.

Whistle Blower Policy has been amended to include Vigil Mechanism provided in said Section. Policies and systems for Internal Control, Risk Management and Transfer Pricing are in place and are reviewed and updated from time to time as and when necessary.

Accounts of Subsidiary Companies

A statement having financial information of Subsidiary Companies form part of this Annual Report. Shareholders of the Company and those of Subsidiary Companies who are desirous of having complete statement of accounts and related detailed information of Subsidiary Companies, may send their request therefor either to the Company's Registered Office

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS *(Contd.)*

or to Head and Corporate Office. The same are being kept for inspection at Head Offices of your Company and Subsidiary Companies and also available on your Company's website i.e. www.ifglref.com/group_account.php

Directors' Responsibility Statement

Your Directors state that :

- a) In preparation of the 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 the Company at the end of the financial year and of the Profit and Loss of the 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 the 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

A Committee of Directors on Corporate Social Responsibility in accordance with provisions of Section 135 of the Act has been constituted and going forward CSR activities as per policy formulated and recommended by this Committee will be undertaken and sum prescribed will be spent on account thereof. Nevertheless, your Company during financial year 2013-2014 continued to pursue programmes for improvement of health, safety, education and environment in areas neighbouring its Indian manufacturing operations in Kalunga Industrial Estate (near Rourkela) in the State of Odisha and latest of such programme is setting up of a toilet complex at an Upper Primary School.

Disclosure of Employees Particulars

In an Annexure forming part of this Report, particulars of employees of your Company drawing remuneration of ₹ 60 lacs or more per annum and ₹ 5 lacs or more per month, if employed for part of the year, are given in accordance with provision of the Companies (Appointment & Remuneration of Managerial Person) Rules, 2014. However, this Annual Report is being sent to Company's Shareholders and others entitled thereto without said Annexure and any Shareholder interested in obtaining such Annexure may write to the Company Secretary.

Industrial Relations

During financial year 2013-2014, Industrial Relations continued to remain cordial. Your Company provide conducive working environment to its team members and empower them by trainings on latest techniques and practices. Compensation packages and benefits provided compared favourably with those offered in the Refractory Industry.

Consolidated Financial Statements

In accordance with Accounting Standard 21 and other relevant provisions, 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 two Subsidiary Companies i.e. IFGL Worldwide Holdings Limited and IFGL Exports Limited, as approved by their respective Boards.

**DIRECTORS' REPORT AND
MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS** *(Contd.)***Directors**

Independent Directors due to retire by rotation are Mr D K Banerji, Prof S Munshi and Prof A N Sadhu, who being eligible, offer themselves for re-appointment for a term of five consecutive years upto the conclusion of the 30th Annual General Meeting. Other Independent Directors, Mr D G Rajan, Mr K S B Sanyal and Mr S Khasnobis are being re-appointed for a term of five consecutive years upto the conclusion of the 30th Annual General Meeting. These re-appointments will be in conformity with relevant provisions including Sections 149, 150, 152 of the Act and Rules framed thereunder. Ordinary Resolutions and Explanatory Statement in respect of each of re-appointment of said Independent Directors form part of Notice of your ensuing Annual General Meeting.

Appointment of Chairman, Mr S K Bajoria and Managing Director, Mr P Bajoria will also end on 31st March 2015 and your Directors recommend their re-appointment for a further period of 5 years effective 1st April 2015 by passing special resolutions proposed for the purpose and forming part of Notice of ensuing Annual General Meeting.

Profile of your Directors seeking re-appointment is forming part of Notice of the Shareholders of ensuing Annual General Meeting.

Disclosure of Information

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in **Annexure 'B'**. Particulars of contracts/arrangements entered into by your Company with related parties including those in ordinary course of business at arms length during financial year 2013-2014 are disclosed in the Financial Statements. Your Directors also propose to change terms and conditions including remuneration of Mr Akshay Bajoria, being son of the Managing Director, Mr P Bajoria on and from 1st April 2014. These require your approval and for the purpose, Special Resolutions and Explanatory Statement thereon form part of Notice of your ensuing Annual General Meeting, following provisions of Section 188 of the Act read with Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014.

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, Chartered Accountant will retire at conclusion of the forthcoming Annual General Meeting and being eligible for re-appointment, have signified their willingness to be so appointed for a term of five consecutive years in accordance with provisions of Section 139 read with Rules framed thereunder.

Acknowledgement

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

On behalf of the Board of Directors

Kolkata
10th May 2014

S K Bajoria
Chairman

P Bajoria
Managing Director

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE

1. Your 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.

The Report on compliance of conditions of the Corporate Governance in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges by your Company is given below.

2. Board of Directors

Composition of Board of Directors as at 31st March 2014

Category	No. of Directors	%
Executive Directors	2	20
Non-Executive Directors	2	20
Non-Executive Independent Directors	6	60
	10	100

Mr S K Bajoria is designated as the Chairman of the Company.

Composition, Category, their Directorship and Committee Memberships in other Companies

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 25 of the Companies Act, 1956 (the Act)]	
			As Chairman	As Member
P Bajoria	Executive	3	-	-
S K Bajoria (a)	Executive	3	-	-
D K Banerji	Non-Executive (c)	-	-	-
K Dalmia	Non-Executive	-	-	-
S Khasnobis	Non-Executive (c)	-	-	-
Prof S Munshi	Non-Executive (c)	-	-	-
D G Rajan	Non-Executive (c)	4	3	-
Prof A N Sadhu	Non-Executive (c)	4	2	-
K S B Sanyal	Non-Executive (c)	4	2	1
S Tateishi (b)	Non-Executive	-	-	-

None of the above Directors are related inter-se.

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

None of the Directors of the Company's Board hold the office of Director in more than the permissible number of Companies under Section 275 of the Companies Act, 1956. Also, the Committee Chairmanships/Memberships are within the limits laid down in Clause 49 of the Listing Agreement. All Non-Executive 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.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

Non-Executive Directors (other than Mr K Dalmia) do not have any pecuniary relationship and/or transaction with your Company other than payment of Sitting Fees (as indicated in paragraph 3B below) and/or reimbursement of out-of-pocket expenses for attending meetings of the Board and/or Committee(s) thereof. The Company pays sitting fees as follows per meeting per Director for attending meeting of the Board/Committees.

Board Meeting	₹ 20,000/-
Audit Committee Meeting	₹ 10,000/-
Nomination and Remuneration Committee Meeting	₹ 5,000/-
Investment Committee Meeting	₹ 5,000/-
Stakeholders Relationship Committee Meeting	₹ 5,000/-

For Mr K Dalmia's pecuniary relationship, please refer to paragraph 5 below.

Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)

During the Financial Year (FY) ended on 31st March 2014, the Board met 4 (four) times. The details of Board Meetings held during the financial year 2013-2014 are as under :

Date of Board Meeting	No. of Directors present
11th May 2013	7
14th August 2013	7
9th November 2013	7
14th February 2014	7

The intervening period between two Board Meetings was well within the maximum gap of four months prescribed under Clause 49 of the Listing Agreement.

Name of Directors	Number of Board Meetings		Attended last AGM held on 23rd August 2013
	Held	Attended	
P Bajoria	4	3	No
S K Bajoria	4	4	No
D K Banerji	4	3	No
K Dalmia	4	–	No
S Khasnobis	4	4	No
Prof S Munshi	4	4	No
D G Rajan	4	4	No
Prof A N Sadhu	4	2	No
K S B Sanyal	4	4	No
S Tateishi	4	–	No

Information placed before the Board

Board Meetings of the Company are governed by a structured agenda. The Board members, in consultation with the Chairman may bring up any matter for consideration of the Board. All major Agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board Members for discussion and consideration at Board Meetings.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

3. Committees of the Board

Your Company has four Board level Committees :

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee and
- Investment Committee

The terms of reference of the Board Committees are determined by the Board from time to time. Minutes of Board Committee Meetings are placed in subsequent Board Meetings for the information of the Board. The role and composition of these Committees including details of meetings held during FY and the attendance thereof are provided herein below :

A. Audit Committee

Your Company has an Audit Committee (the Committee) comprising of following three Non-Executive Independent Directors. All of them are financially literate and have accounting or related Financial Management expertise.

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	4	4
D G Rajan	Member	4	4
Prof A N Sadhu	Member	4	2

During the FY ended on 31st March 2014, meeting of the Committee were held on 11th May 2013, 14th August 2013, 9th November 2013 and 14th February 2014. The gap between two meetings never exceeded four months.

Head of Finance, Internal Auditors and Statutory Auditors also attended said meetings as and when required by the Committee. Mr R Agarwal, Company Secretary, is 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 for submission to the Stock Exchanges and publication in newspapers in compliance of Clause 41 of the Listing Agreement.

Terms of reference of the Committee include the powers and role including review of information, as specified in Clauses 49II(C), 49II(D) and 49II(E) of the Listing Agreement, of the Company as well as that of its Subsidiary Companies.

B. Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee (the Committee) inter alia is to determine on behalf of the Board of Directors and on behalf of the Shareholders, the Company'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 on their appointment and/or re-appointment.

The Committee comprises of following Non-Executive Independent Directors.

Name of Directors	Position	No. of Meetings	
		Held	Attended
Prof A N Sadhu	Chairman	4	2
D G Rajan	Member	4	4
K S B Sanyal	Member	4	4

During the FY ended on 31st March 2014, meeting of the Committee were held on 11th May 2013, 14th August 2013, 9th November 2013 and 14th February 2014.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

Details of remuneration paid/payable to the Executive Directors and Non-Executive Directors for FY 2013-2014 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)	122.40	40.00	32.91	5.11	–	–
S K Bajoria (e)	93.00	40.00	29.49	15.26	–	–
D K Banerji	–	–	–	–	0.60	–
K Dalmia	–	–	–	–	–	–
S Khasnobis	–	–	–	–	0.80	0.20
Prof S Munshi	–	–	–	–	0.80	–
D G Rajan	–	–	–	–	0.80	0.60
Prof A N Sadhu*	–	–	–	–	–	–
K S B Sanyal	–	–	–	–	0.80	1.25
S Tateishi	–	–	–	–	–	–

*Waived entitlement to Sitting Fees.

- (e) i) Service Contract - 5 years (from 1st April 2010 to 31st March 2015)
 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.

There is no stock option given to Directors during the FY.

C. Stakeholders Relationship Committee

The Stakeholders Relationship Committee (the Committee) comprises of following Directors.

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	13	13
S K Bajoria	Member	13	9
P Bajoria	Member	13	9

During the FY ended on 31st March 2014, 13 (thirteen) meetings of the Committee were held and gap between two meetings never exceeded 30 (thirty) days.

Role of the Committee include 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 Clause 49 IV(G)(iv) of the Listing Agreement, the Board of the Company has 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 2013	–
Number of complaints received during the FY	13
Number of complaints redressed during the FY	13
Number of complaints pending as on 31st March 2014	–

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

Most of the complaints received related to exchange of Share Certificates (a) consequent to reduction of paid up capital of Equity Shares of the Company in the year 1996 and (b) amalgamation of Indo Flogates Limited with the Company 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.

D. Investment Committee

An Investment Committee (the Committee) comprises of following Directors.

Name of Directors	Position	No. of Meetings	
		Held	Attended
S K Bajoria	Chairman	4	4
P Bajoria	Member	4	3
S Khasnobis	Member	4	4

During the FY ended on 31st March 2014, meeting of the Committee were held on 11th May 2013, 14th August 2013, 9th November 2013 and 14th February 2014.

Role of the Committee is to inter alia examine and recommend various opportunities for deployment of cash flow surpluses available with the Company.

4. General Body Meetings

Location and time, where last three AGMs were held

AGM	FY	Date	Time	Place
22nd	2010-2011	Friday, 26th August 2011	11 AM	Sector 'B', Kalunga Industrial Estate P.O. Kalunga 770 031, Dist. Sundergarh, Odisha
23rd	2011-2012	Friday, 24th August 2012	11 AM	-do-
24th	2012-2013	Friday, 23rd August 2013	11 AM	-do-

Special Resolutions passed at the last 3 (three) AGMs

FY	Items
2010-2011	i) Ratification/approval and waiver of excess remuneration paid to Mr S K Bajoria for FY 2010-2011.
	ii) Ratification/approval and waiver of excess remuneration paid to Mr P Bajoria for FY 2010-2011.
	iii) Holding of an office or place of profit by Mr Mihir Prakash Bajoria son of the Chairman, Mr S K Bajoria with Company's UK Subsidiary, Monocon International Refractories Limited.
2011-2012	None.
2012-2013	i) Change in remuneration and payment of minimum remuneration to Mr S K Bajoria.
	ii) Payment of minimum remuneration to Mr P Bajoria.

Postal Ballot

The Company did not conduct any business through Postal Ballot during FY under review.

5. Disclosures :

- A Statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. All transactions with the related parties were on an arms length basis.
- The Company did not have any materially significant related party transactions, which may have potential conflict with interest of the Company.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

- While preparing Financial Statements for the FY under review, no accounting treatment which was different from that prescribed in the Accounting Standard was followed.
- For list of disclosures of related party relationship and transactions as per Accounting Standard 18, "Related Party Disclosures", Note 33 to the Annual Audited Accounts of the Company for the FY ended 31st March 2014 may be referred to.
- The Company, during the FY under review, continued to supply Refractories (of unique/special nature) to a company (where Mr K Dalmia, a Director of the Company happens to hold Directorship) as per the latter's requirements from time to time at prices and terms which were negotiated and mutually agreed. Necessary permission in this regard from the Regional Director, Eastern Region, Ministry of Corporate Affairs at Kolkata under Section 297 of the Companies Act, 1956, has been obtained for FY ended 31st March 2014.
- Resume and other information of the Directors, retiring by rotation proposed to be re-appointed at the ensuing Annual General Meeting are given in the Notice relating thereto to the Shareholders as required under Clause 49 IV(G)(i) of the Listing Agreement.
- A Management Discussion and Analysis Report has been included as a part of the Directors' Report to the Shareholders for FY ended 31st March 2014.
- In accordance with the requirement of Corporate Governance the Board of Directors of the Company has formulated a Code of Conduct for Directors and Senior Management Personnel of the Company and the compliance thereof has been affirmed by all concerned. The required declaration to this effect signed by the Managing Director is appended as a separate Annexure to this Report. This Code of Conduct has also been posted on Company's website.
- No strictures were imposed on the Company by any regulatory authority on any matter related to capital markets during the last three years.
- IFGL Exports Limited (IEL) is a non material Indian Subsidiary of the Company. Following principles of good Corporate Governance, Mr K S B Sanyal, being one of the Independent Directors of the Company, is also a Director on the Board of said IEL.
- Minutes of Subsidiaries, are placed before the Board of the Company and attention of the Directors is drawn to the significant transactions and arrangement entered into by said Subsidiary Companies.
- The Company has laid down procedures to inform the Board Members about the risk assessment and minimisation procedures. These procedures are periodically reviewed to ensure that Executive Management control risks through means of a properly defined framework.
- In accordance with the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992, as amended in February 2002, the Board of Directors of the Company has formulated the Code of Conduct for prevention of Insider Trading in Equity Shares of the Company by its Directors and Employees.
- The Board of Directors of the Company have received a Certificate from the Managing Director and Chief Financial Officer of the Company in compliance of Clause 49(V) of the Listing Agreement.
- The Company has adopted Whistle Blower Policy by virtue of which employees, both permanent and temporary, who observe any unethical and improper practices or alleged wrongful conduct, actual or suspected fraud or violation of the Code of Conduct or ethics policy shall make a disclosure either to the Managing Director or Compliance Officer or the Audit Committee as soon as possible after becoming aware of the same. It is affirmed that in compliance of above policy no employee has been denied access to the Audit Committee.
- All mandatory requirements have been complied with except that Chairman of the Audit Committee could not attend last Annual General Meeting of the members of the Company. Compliance of non mandatory requirements are dealt with at the end of the Report.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.
- No Director of the Company is related to any other Director of the Company.
- Particulars of Equity Shares of ₹ 10/- each of the Company held by Non-Executive Directors (both own or held by/for other person on a beneficial basis) are as follows :

Name of Directors	Number of Shares held
Prof A N Sadhu	850
D G Rajan	8,894
K S B Sanyal	Nil
K Dalmia	Nil
S Tateishi	Nil
S Khasnobis	Nil
D K Banerji	Nil
Prof S Munshi	Nil

6. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is the core of good governance. Towards this end :

- The quarterly results of the Company are announced within 45 days of the completion of the quarter and audited annual results are announced within 60 days of end of last quarter and Stock Exchanges are immediately intimated after the same is taken on record by the Board. Further coverage is given for the benefit of the Shareholders and Investors by publication of the financial results in the Business Standard and Pragativadi, an Odia newspaper widely circulating in the State of Odisha. The Company however does not send half yearly reports to the individual Shareholders.
- Audited/Unaudited financial results and other pertinent information are also available on the Company's website i.e. www.ifglref.com, website of National Stock Exchange of India Limited i.e. www.nseindia.com and website of Bombay Stock Exchange Limited i.e. www.bseindia.com
- Information relating to Shareholding Pattern, entire Annual Report of the Company and its Subsidiaries and Corporate Announcements/Press Releases made by the Company are also uploaded on Company's website i.e. www.ifglref.com

7. General Shareholder Information

Date	Friday, 22nd August 2014
Time	11 AM
Venue	Company's Registered Office at Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha.
Financial Calendar 2014-2015 (tentative and subject to change)	<ul style="list-style-type: none"> Financial Year - April to March First Quarter Results - by second week of August 2014 Second Quarter Results - by second week of November 2014 Third Quarter Results - by second week of February 2015 Audited Results for the year ending 31st March 2015 - by last week of May 2015
Book Closure Period	Tuesday, 19th August 2014 to Friday, 22nd August 2014
Dividend Payment Date	On and after Wednesday, 27th August 2014

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)
Listing on Stock Exchanges

Name of the Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	'Exchange Plaza' C-1, Block G, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051	IFGLREFRAC(EQ)
Bombay Stock Exchange Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	532133

The Listing Fees for the FY 2014-2015 has been paid to the Stock Exchanges.

The International Security Identification Number (ISIN) allotted to the Company's Share under the Depository System is INE023B01012. The annual custody fee for the FY 2014-2015 has been paid to NSDL and CDSL, the Depositories.

In accordance with Clause 5A of the Listing Agreement, an Unclaimed Suspense Demat Account has been opened with HDFC Bank Limited and all Equity Shares in physical form lying unclaimed pursuant to Public/Rights Issues of the Company as well as by erstwhile Indo Flogates Limited have been dematerialized and credited to said Demat Account. Whenever any request for said unclaimed shares is received, Equity Shares either in electronic or physical forms is 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	–	–
Number of Shareholders to whom Shares were transferred from Suspense Account during the FY	–	–
Aggregate number of Shareholders and the outstanding Shares in the Suspense Account lying at the end of the FY	52	4,488

Market Price Data

Months	Bombay Stock Exchange Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2013	35.40	31.20	38.45	31.10
May 2013	35.35	28.25	37.95	27.90
June 2013	30.00	25.85	30.00	26.00
July 2013	30.00	26.00	32.70	25.80
August 2013	29.90	24.00	30.00	23.45
September 2013	35.90	27.60	33.55	27.30
October 2013	37.45	30.50	37.45	30.05
November 2013	67.90	34.25	68.45	34.65
December 2013	62.00	55.10	61.65	54.30
January 2014	67.60	57.20	67.75	55.65
February 2014	66.00	58.00	65.45	56.65
March 2014	65.50	51.25	65.50	50.50

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

Equity Shares of the Company are regularly traded on the BSE and NSE. However, its Market Price does not substantially fluctuate with increase or decrease in the SENSEX/NIFTY.

Registrar and Share Transfer Agent for Physical and Demat Segments

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 : mdpl@cal.vsnl.net.in

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

Share Transfers are presently registered within a maximum period of 15 (fifteen) days from the date of receipt provided the documents are complete in all respects. All Share Transfers are approved by the Company Secretary under the authority delegated to him.

Secretarial Audit

- Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, Certificates, on half year basis, have been issued by a Company Secretary-in-Practice for due compliance of Share Transfer formalities by the Company.
- 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. The Audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of Shares in physical form and the total number of Shares in dematerialized form (held with NSDL and CDSL).

Distribution of Equity Shareholding as on 31st March 2014

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	0.01	5,006,956	14.47
Financial Institutions/Banks/ Mutual Funds/UTI	12	0.06	362,885	1.05
Foreign Institutional Investors	1	0.01	1,300	0.00
NRIs/Clearing Member/Trust	148	0.80	171,639	0.50
Private Body Corporate	263	1.42	3,167,397	9.15
Individuals	18,061	97.67	6,231,047	18.00
Total	18,491	100.00	34,610,472	100.00

*Shares held by the Promoters have not been pledged or otherwise encumbered in any manner.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

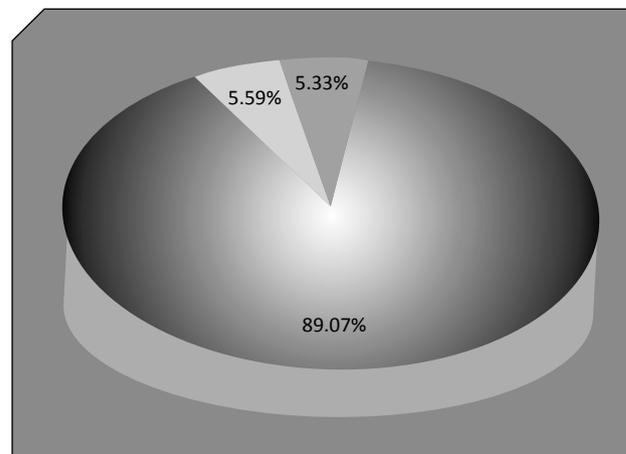
Number of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 500	16,978	91.82	2,331,476	6.74
501 to 1000	695	3.76	584,968	1.69
1001 to 2000	374	2.02	582,514	1.68
2001 to 3000	131	0.71	339,820	0.98
3001 to 4000	65	0.35	228,661	0.66
4001 to 5000	46	0.25	217,151	0.63
5001 to 10000	107	0.58	778,755	2.25
10001 and above	95	0.51	29,547,127	85.37
Total	18,491	100.00	34,610,472	100.00

Dematerialisation of Shares and Liquidity

The Shareholders may have their holding of Equity Shares of the Company Dematerialised either with the NSDL or CDSL if Equity Shares are desired to be held in electronic mode.

Shares held in Physical and Dematerialised Form as on 31st March 2014 :

- Shares held in Physical Form : 1,936,268 (5.59%)
- Shares held in Dematerialised Form in NSDL : 30,828,401 (89.07%)
- Shares held in Dematerialised Form in CDSL : 1,845,803 (5.33%)



Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity. Not Applicable

Addresses for correspondence

Registered Office & Works	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031 Dist. Sundergarh, Odisha, Phone : +91 661 2660195, Fax : +91 661 2660173 E-mail : ifgl.works@ifgl.in
Head & Corporate Office	McLeod House, 3, Netaji Subhas Road, Kolkata 700 001. Phone : +91 33 22482411, Fax : +91 33 22430886, +91 33 22480482 E-mail : ifgl.ho@ifgl.in and investorcomplaints@ifgl.in

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

Corporate Identity Number

The Corporate Identity Number (CIN) of the Company is L27202OR1989PLC002971.

8. Unclaimed Dividend

Pursuant to Sections 205A and 205C of the Act, all unclaimed/unpaid Dividend pertaining to the Company and erstwhile Indo Flogates Limited remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.

Following table gives information relating to outstanding Dividend accounts and dates when due for transfer to IEPF

FY	Date of Declaration of Dividend	Proposed Date for transfer to IEPF*
2006-2007	24.08.2007	23.10.2014
2007-2008	22.08.2008	21.10.2015
2009-2010	31.07.2010	29.09.2017
2010-2011	26.08.2011	25.10.2018
2011-2012	24.08.2012	23.10.2019
2012-2013	23.08.2013	22.10.2020

*Indicative dates. Actual dates may vary.

Persons who have not yet encashed their above outstanding Dividends may immediately send their claims to the Company. For FY 2006-2007, it will not be possible to entertain claims received by the Company on and after Tuesday, 23rd September 2014.

9. Status of Adoption of the Non Mandatory Requirements :

Non-Executive Chairman's Office

The Chairman of the Company is the Executive Chairman and hence this provision is not applicable.

Tenure of Independent Directors

Tenure of some of the Independent Directors is also more than nine years in aggregate considering their respective initial date of induction on the Board.

Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee as reported in Paragraph 3 above.

Audit Qualification

The Company does not have any qualification pertaining to the Financial Statements of the FY under review.

Other Items

The Company has **Whistle Blower Policy** in place details whereof has already been given in Paragraph 5 above. Other Non Mandatory requirements such as **Shareholder Rights; Training of Board Members and Mechanism for evaluating performance** of Non-Executive Board Members will be implemented by your Company's Board as and when required and/or deemed necessary.

The Company following provisions of the Companies Act, 2013 (2013 Act) and Rules framed thereunder and also revised Clause 49 of the Listing Agreement amongst others have modified terms of reference of the Audit Committee, constituted CSR Committee, expanded scope of Whistle Blower Policy to include Vigil Mechanism, adopted a Remuneration Policy, formulated criteria for evaluation of Independent Directors and the Board including adoption of Schedule IV of the Act dealing with Code of Conduct.

10. Auditors' Certificate on Corporate Governance

As required under Clause 49 of the Listing Agreement, Statutory Auditors Certificate that the Company has complied with the conditions of Corporate Governance is attached.

ANNEXURE 'B' TO DIRECTORS' REPORT

Information under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for financial year ended on 31st March 2014

A. Conservation of Energy

a) Energy Conservation measures taken :

Energy is of significant cost in manufacturing activities of the Company and hence being monitored closely for efficient use and conservation thereof and several steps including replacement of vaporizers, D G sets, equipments etc. have been taken with regard thereto.

b) Additional investment and proposals, if any, being implemented for reduction of consumption of energy.

This is being done on a continuous basis, including by installation of new energy efficient equipments/appliances.

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

Efforts are being made on regular basis to reduce energy consumption and consequently achieve reduction in consumption per unit of production.

d) Total energy consumption and energy consumption per unit of production.

As per Form A enclosed.

B. Technology Absorption

e) Efforts made in technology absorption.

As per Form B enclosed.

C. Foreign Exchange Earnings and Outgo

f) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; export plans.

Thrust and focus on overseas markets continued during financial year 2013-2014. FOB value of exports effected has been ₹ 1,104.97 Millions compared to ₹ 926.03 Millions for immediately preceding financial year 2012-2013.

g) Total Foreign Exchange used and earned

(₹ in Millions)

1. Foreign Exchange Outgo	
i) CIF Value of Imports of Raw Materials, Stores and Spares, Trading Goods and Capital Goods	759.62
ii) Others	186.90
2. Foreign Exchange Earnings	
FOB Value of Exports	1,104.97

ANNEXURE 'B' TO DIRECTORS' REPORT (Contd.)

Form - A

Disclosure of particulars with respect to conservation of energy

	For the year ended 31st March 2014	For the year ended 31st March 2013
A. Power & Fuel Consumption		
1. Electricity		
a) Purchased		
Units (KWH)	4,848,786	4,833,576
Total Amount (₹ in Millions)	30.02	29.21
Rate/Unit (₹)	6.19	6.04
b) Own Generation		
i) Through Diesel Generator		
Units (KWH)	402,813	639,796
Units per Ltr of Diesel Oil	2.90	2.95
Cost/Unit (₹)	18.84	15.39
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)	1,589.23	1,848.23
Total Cost (₹ in Millions)	111.32	119.92
Average Rate (₹/MT)	70,043.99	64,881.62
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)	8.61	9.33
LDO (Ltrs/Pc)	Nil	Nil
Coal	Nil	Nil
LPG (Kgs/Pc)	2.57	3.20
HSD (Ltrs/Pc)	0.25	0.42

ANNEXURE 'B' TO DIRECTORS' REPORT (Contd.)
Form - B
Disclosure of particulars with respect to Technology Absorption
Research & Development (R & D) :

1. Specific areas in which R & D carried out	a) Improvement in product quality and performance
2. Benefits derived as a result of above R & D	b) Development of indigenous sources of raw materials including quality upgradation and substitutes.
3. Future plan of action	c) Increase of production capacity and capability.
4. Expenditure on R & D	Improvement in customer satisfaction, increased cost competitiveness and improvement in product quality, productivity and performance.
	Continued efforts in areas of cost reduction, improvement of productivity, quality and performance, import substitution etc.
	Excepting for few testing instruments, no major expenditure has been incurred on R & D.

Technology Absorption, Adaptation and Innovation :

1&2. Efforts, in brief, made towards technology absorption, adaptation and innovation and benefits derived as a result of above efforts e.g. product development, import substitution etc.	Technologies imported from time to time have been successfully absorbed. Changes were made, wherever necessary, in imported technologies with consent of the Collaborators to suit Indian conditions in your Company's own R & D.
3. Information regarding Imported Technology	
a) Technology Imported	Know-how for design, manufacturing and application of Round Hole Pressed Filters, Siebkerne, Silicon Carbide Chill Plates and other refractory products mainly used in Foundries.
b) Year of Import	Financial Year 2009-2010.
c) Has technology been fully absorbed	Yes.
d) If not absorbed, areas where this has not taken place, reasons therefor and future plan of action	Not applicable.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IFGL REFRACTORIES LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of IFGL Refractories Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014, 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 Financial Statements

The Company's Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of Internal Control relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers Internal Control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Financial Statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 :

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2014
- b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
- c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that :

INDEPENDENT AUDITORS' REPORT (Contd.)

- a) We have 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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards notified under the Act (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs).
- e) On the basis of the written representations received from the Directors as on 31st March 2013 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2014 from being appointed as a Director in terms of Section 274(1)(g) of the Act.

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

Kolkata
10th May 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

- i) Having regard to the nature of the Company's business/activities/results during the year, clauses (vi), (x), (xii), (xiii), (xiv), (xviii), (xix) and (xx) of Paragraph 4 of the Order are not applicable to the Company.
- ii) In respect of its Fixed Assets :
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - b) Some of the Fixed Assets were physically verified during the year by the Management in accordance with a 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) The Fixed Assets disposed off during the year, in our opinion, do not constitute a substantial part of the Fixed Assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- iii) In respect of its Inventory :
 - a) 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.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

iv) In respect of loans, secured or unsecured, granted by the Company to 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 a loan to one party (a Subsidiary Company) during the year. At the year end, outstanding balance of such loan granted aggregated ₹ 250 lacs and the maximum amount involved during the year was ₹ 250 lacs.
- b) The rate of interest and other terms and conditions of such loan is, in our opinion, prima facie not prejudicial to the interest of the Company.
- c) The receipt of interest has been regular. The Principal amount is repayable on demand and the Company has not demanded the repayment till date.
- d) As the Company has not demanded for the repayment till date, Clause (iii)(d) of Paragraph 4 of the Order is not applicable.

The Company has not taken any loans secured or unsecured, from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956. Accordingly, Clause (iii)(e) to (iii)(g) of Paragraph 4 of the Order are not applicable.

v) In our opinion and according to the information and explanations given to us, there is an adequate Internal Control system commensurate with the size of the Company and the nature of its business with regard to purchases of Inventory and Fixed Assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in such Internal Control system.

vi) 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 explanations given to us :

- a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- b) Where each of such transaction is in excess of ₹ 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.

viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

ix) According to the information and explanations given to us in respect of Statutory Dues :

- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March 2014 for a period of more than six months from the date they became payable.
- c) Details of dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31st March 2014 on account of disputes are given below :

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT (Contd.)

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (Net of related payments) (₹ in lacs)
Sales Tax Central Sales Tax Act, 1956	Sales Tax	Sales Tax Tribunal	1995-1996	1.14
	Sales Tax	Additional Commissioner of Sales Tax	1997-1998	0.47
	Sales Tax	Orissa High Court	1999-2000	2.17
	Sales Tax	Assistant Commissioner of Sales Tax	2003-2004	0.25
	Sales Tax	Additional Commissioner of Sales Tax	1st July 2006 to 31st March 2011	56.22
Orissa Sales Tax Act, 1947	Sales Tax	Orissa Sales Tax Tribunal	1996-1997 and 1997-1998	39.91
	Sales Tax	Orissa High Court	1999-2000	0.11
	Total			100.27
Income Tax The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal, Kolkata	Assessment Year 2005-2006	15.88
	Total			15.88
Excise Duty and Service Tax Service Tax Rules, 1994	Service Tax	Joint Commissioner of Central Excise, Customs & Service Tax	2006-2007	1.54
	Service Tax	Commissioner of Central Excise (Appeals)	2007-2008	1.66
CENVAT Credit Rules, 2004 and Central Excise Act, 1944	Service Tax	Commissioner of Central Excise (Appeals)	2006-2007 and 2007-2008	3.37
	Total			6.57
Custom Duty Customs Act, 1962	Custom Duty	Commissioner of Customs (Appeals)	3rd July 2007 to 31st May 2012	128.15
	Total			128.15

- x) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to any banks. The Company has neither any outstanding dues to any financial institutions or debenture holders at the beginning of the year nor has it obtained any loans from such parties during the year.
- xi) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the Company.

Independent Auditors' Report

Balance Sheet

Statement of Profit and Loss

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ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT *(Contd.)*

- xii) In our opinion and according to the information and explanations given to us, the Term Loans have been applied by the Company during the year for the purposes for which they were obtained.
- xiii) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long-term investment.
- xiv) 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 has been noticed or reported during the year.

Kolkata
10th May 2014

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

BALANCE SHEET

As at 31st March 2014

(₹ in lacs)

	Note No.	As at 31st March 2014		As at 31st March 2013	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds :					
a) Share Capital	3	4,911.05		4,911.05	
b) Reserves and Surplus	4	10,424.32	15,335.37	8,783.08	13,694.13
2. Non-Current Liabilities :					
a) Long-Term Borrowings	5	280.43		552.81	
b) Deferred Tax Liabilities (Net)	6	217.90		316.55	
c) Long-Term Provisions	7	18.49	516.82	17.79	887.15
3. Current Liabilities :					
a) Short-Term Borrowings	8	4,271.02		4,677.31	
b) Trade Payables	9	3,608.42		3,701.35	
c) Other Current Liabilities	10	475.93		503.43	
d) Short-Term Provisions	11	863.45	9,218.82	751.58	9,633.67
Total			25,071.01		24,214.95
II. ASSETS					
1. Non-Current Assets :					
a) Fixed Assets :					
i) Tangible Assets	12	3,636.56		4,047.76	
ii) Intangible Assets	13	1.63		3.67	
iii) Capital Work-in-Progress		-	3,638.19	120.26	4,171.69
b) Non-Current Investments	14		6,776.99		6,777.19
c) Long-Term Loans and Advances	15		100.27		62.31
d) Other Non-Current Assets	16		16.80		28.00
2. Current Assets :					
a) Inventories	17	4,025.76		3,870.54	
b) Trade Receivables	18	8,194.60		8,389.72	
c) Cash and Cash Equivalents	19	1,694.23		600.44	
d) Short-Term Loans and Advances	20	384.97		99.71	
e) Other Current Assets	21	239.20	14,538.76	215.35	13,175.76
Total			25,071.01		24,214.95

See accompanying Notes forming part of the Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Kolkata

10th May 2014

On behalf of the Board of Directors

R Agarwal

Company Secretary

P Bajoria

Managing Director

S K Bajoria

Chairman

STATEMENT OF PROFIT AND LOSS

For the year ended 31st March 2014

(₹ in lacs)

	Note No.	For the year ended 31st March 2014		For the year ended 31st March 2013	
I. REVENUE FROM OPERATIONS (GROSS)	22	34,229.26		32,305.04	
Less : Excise Duty		(1,486.93)		(1,692.02)	
Revenue from Operations (Net)			32,742.33		30,613.02
II. Other Income	23		152.19		245.67
III. Total Revenue (I + II)			32,894.52		30,858.69
IV. EXPENSES :					
Cost of Materials and Components Consumed	24	14,033.59		15,392.66	
Purchases of Stock-in-Trade	25	2,647.41		1,507.88	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	(9.11)		69.85	
Employee Benefits Expense	27	2,812.85		2,498.59	
Finance Costs	28	229.97		405.43	
Depreciation and Amortisation Expense	13.2	702.31		710.99	
Other Expenses	29	8,754.78		7,735.33	
Total Expenses			29,171.80		28,320.73
V. PROFIT BEFORE TAX (III-IV)			3,722.72		2,537.96
VI. Tax Expense :					
1) Current Tax Expense		1,373.30		843.00	
2) Current Tax Expense Relating to Prior Years		13.36		-	
3) Deferred Tax Reversals		(98.65)	1,288.01	(11.38)	831.62
VII. PROFIT FOR THE YEAR (V-VI)			2,434.71		1,706.34
VIII. Earnings per Share :					
1) Basic	30		6.79		4.69
2) Diluted	30		6.79		4.69

See accompanying Notes forming part of the Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Kolkata

10th May 2014

On behalf of the Board of Directors

R Agarwal
Company Secretary**P Bajoria**
Managing Director**S K Bajoria**
Chairman

CASH FLOW STATEMENT

For the year ended 31st March 2014

(₹ in lacs)

	For the year ended 31st March 2014		For the year ended 31st March 2013	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax		3,722.72		2,537.96
Adjustments for :				
Depreciation and Amortisation Expense	702.31		710.99	
Finance Costs (Net of Interest Income)	119.24		327.11	
Liabilities no longer required written back	(34.20)		(11.88)	
Bad Debts/Advances written off	84.25		70.60	
Provision for Doubtful Trade and Other Receivables	1.06		7.73	
Unrealised Exchange Loss (Net)	170.83		99.79	
Provision for Contingencies	18.49		–	
Provision for estimated loss on Derivatives	116.34		–	
Loss on Sale of Investments (Net)	0.03		–	
Gain on Sale/Discard of Assets (Net)	(5.21)	1,173.14	(16.23)	1,188.11
Operating Profit before Working Capital changes		4,895.86		3,726.07
Adjustments for :				
Trade and Other Receivables	(233.55)		(1,918.21)	
Inventories	(155.22)		107.67	
Trade and Other Payables	(120.08)	(508.85)	747.29	(1,063.25)
Cash generated from Operations		4,387.01		2,662.82
Income Taxes Paid (Net)		(1,360.42)		(883.56)
Cash flows before extra-ordinary items		3,026.59		1,779.26
Net Cash Generated from Operating Activities (A)		3,026.59		1,779.26
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Capital Expenditure on Fixed Assets including Capital Advances	(203.63)		(600.02)	
Proceeds from sale of Fixed Assets	12.77		16.30	
Interest Received	76.94		60.79	
Loan given to Subsidiary	(250.00)		–	
Sale/(Purchase) of Long/Short-Term Investments	0.17	(363.75)	(385.05)	(907.98)
Net Cash used in Investing Activities (B)		(363.75)		(907.98)

CASH FLOW STATEMENT

For the year ended 31st March 2014 (Contd.)

(₹ in lacs)

	For the year ended 31st March 2014		For the year ended 31st March 2013	
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Finance Costs	(220.62)		(424.15)	
Dividends Paid	(588.32)		(588.86)	
Tax on Dividend	(100.58)		(95.98)	
Repayment of Long-Term Borrowings	(250.00)		(250.00)	
(Repayment)/Proceeds from Short-Term Borrowings	(420.73)	(1,580.25)	91.18	(1,267.81)
Net Cash used in Financing Activities (C)		(1,580.25)		(1,267.81)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		(1,082.59)		(396.53)
Cash and Cash Equivalents at the beginning of the year		600.44		986.97
Cash and Cash Equivalents at the end of the year		1,683.03		590.44
Reconciliation of Cash and Cash Equivalents with the Balance Sheet :				
Cash and Cash Equivalents (Refer Note 19)		1,694.23		600.44
Add/(Less) : Bank Balances not considered as Cash and Cash Equivalents				
i) In other Deposit Accounts-Original Maturity more than 3 Months		16.80		28.00
Net Cash and Cash Equivalents included in Note 16-Closing				
ii) In other Deposit Accounts-Original Maturity more than 3 Months		(28.00)		(38.00)
Net Cash and Cash Equivalents included in Note 16-Opening		1,683.03		590.44

Notes :

- 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.
- Previous Year's figures have been re-grouped/re-classified wherever necessary to conform with the current year's classification.
- Cash and Cash Equivalents include ₹ 54.97 (31.03.2013 : ₹ 51.59) in respect of unpaid dividend accounts.

See accompanying Notes forming part of the Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

A Bhattacharya

Partner

Kolkata

10th May 2014

On behalf of the Board of Directors

R Agarwal

Company Secretary

P Bajoria

Managing Director

S K Bajoria

Chairman

NOTES TO THE FINANCIAL STATEMENTS

(₹ in lacs)

1. GENERAL INFORMATION

IFGL Refractories Limited (the "Company") is a Public Limited Company, incorporated under the Companies Act, 1956. Its shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Company is primarily engaged in the manufacturing, trading and selling of Refractory Items used in Steel plants. The Company and its Subsidiaries have manufacturing plants in Asia (India and China), in Europe (Germany and United Kingdom) and in North America (USA). The Company caters to both domestic and international market.

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 notified under Section 211(3C) of the Companies Act, 1956 ('the 1956 Act') [which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ('the 2013 Act') in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs] and the relevant provisions of the 1956 Act/2013 Act, as applicable. 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/non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI. 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.

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) are stated at cost less accumulated depreciation (including amortisation). The Company capitalises all costs (Net of CENVAT Credit) relating to acquisition and installation of Fixed 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.

2.4 Depreciation and Amortisation on Fixed Assets (other than Leasehold Land, Computers and Vehicles) is calculated on Straight Line Method at applicable rates and the manner prescribed in Schedule XIV of the 1956 Act. Leasehold Land is amortised over the period of lease. Computers are depreciated over a period of three years. Vehicles are depreciated over Straight Line Method at 20% as determined based on their useful lives. These rates are higher than the rates prescribed under Schedule XIV of the 1956 Act. Intangible Assets (other than Goodwill arising on Amalgamation fully amortised in earlier years and Computer Software which are amortised over a period of two to five years) are amortised on Straight Line Method over a period of five years. Spares that can be used only with particular items of Plant and Machinery and such usage is expected to be irregular are depreciated over a period not exceeding the useful lives of Plant and Machinery with which such spares can be used.

2.5 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.

2.6 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 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.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

- 2.7 Current Investments** are stated at lower of Cost and Fair Value. Non-current investments are stated at cost less provision for diminution, other than temporary, if any, in value.
- 2.8 Current Tax** is determined as the amount of tax payable in respect of taxable income for the year based on applicable tax rates and laws. Deferred Tax is recognised, subject to consideration of prudence in respect of Deferred Tax Asset, on timing differences, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods and is measured using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are periodically reviewed to reassess realisation thereof.
- 2.9 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. 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 net gain, if any, based on the above evaluation, is not accounted for.
- 2.10 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.
- 2.11 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 employees are made to Trust administered by the Company; 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.
 - 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) is made as per the approved Scheme and 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.

2.12 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 2014	As at 31st March 2013
3.	SHARE CAPITAL :		
	Authorised		
	40,000,000 (31.03.2013 : 40,000,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
	2,000,000 (31.03.2013 : 2,000,000) 5% Redeemable Non Cumulative Preference Shares of ₹ 100/- each	2,000.00	2,000.00
	Total	6,000.00	6,000.00
	Issued, Subscribed and Fully Paid Up		
	34,610,472 (31.03.2013 : 34,610,472) Equity Shares of ₹ 10/- each, fully paid up	3,461.05	3,461.05
	1,450,000 (31.03.2013 : 1,450,000) 5% Redeemable Non Cumulative Preference Shares of ₹ 100/- each, fully paid up	1,450.00	1,450.00
	Total	4,911.05	4,911.05

	Equity Shares		Preference Shares	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
3.1 Reconciliation of Number of Shares				
Shares outstanding on 01.04.2013	34,610,472	3,461.05	1,450,000	1,450.00
Shares outstanding on 31.03.2014	34,610,472	3,461.05	1,450,000	1,450.00

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 Terms/Rights attached to Redeemable Non Cumulative Preference Shares (RNCPS)

The 5% Redeemable Non Cumulative Preference Shares are redeemable at par at the end of ten years from the date of allotment (i.e. 3rd September 2010) or any earlier date at the option of the Company except that the said Shares shall not be redeemed within the initial period of three years from the date of allotment. In the event of liquidation of the Company, the Preference Shareholders will have priority over Equity Shares in the payment of dividend and repayment of capital.

Every member holding Preference Share Capital shall have the right to vote in respect of all resolutions placed before the Company which directly affect the rights attached to Preference Shares.

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

Name of Shareholder	Relationship	Nature of Shares	As at 31st March 2014		As at 31st March 2013	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bajoria Holdings Private Limited (BHPL)	Holding Company	Equity	18,320,973	52.93	18,320,973	52.93
Bajoria Holdings Private Limited			640,000	44.14	640,000	44.14
Bajoria Enterprises Limited	Subsidiaries of BHPL	Preference	230,000	15.86	230,000	15.86
Bajoria Financial Services Private Limited			420,000	28.97	420,000	28.97
Bajoria Service Providers Private Limited			160,000	11.03	160,000	11.03

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

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

Name of Shareholder	Relationship	Nature of Shares	As at 31st March 2014		As at 31st March 2013	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Krosaki Harima Corporation, Japan	Foreign Promoter	Equity	5,006,956	14.47	5,006,956	14.47
Bajoria Holdings Private Limited	Holding Company		18,320,973	52.93	18,320,973	52.93
Bajoria Holdings Private Limited		Preference	640,000	44.14	640,000	44.14
Bajoria Enterprises Limited	Fellow Subsidiaries		230,000	15.86	230,000	15.86
Bajoria Financial Services Private Limited			420,000	28.97	420,000	28.97
Bajoria Service Providers Private Limited			160,000	11.03	160,000	11.03

4. RESERVES AND SURPLUS		As at 31st March 2014		As at 31st March 2013	
Capital Reserve as at the beginning and end of the year			5.00		5.00
Capital Redemption Reserve					
Balance as at the beginning of the year		365.00		220.00	
Add : Transferred from Statement of Profit and Loss		145.00	510.00	145.00	365.00
General Reserve					
Balance as at the beginning of the year		619.25		533.93	
Add : Transfer from Statement of Profit and Loss		182.60	801.85	85.32	619.25
Surplus in the Statement of Profit and Loss					
Balance as at the beginning of the year		7,793.83		7,010.10	
Add : Profit for the year		2,434.71		1,706.34	
Less : Transferred to Capital Redemption Reserve		(145.00)		(145.00)	
Less : Transferred to General Reserve		(182.60)		(85.32)	
Less : Proposed Dividend on Preference Shares for the year		(72.50)		(72.50)	
Less : Proposed Dividend on Equity Shares for the year		(605.68)		(519.21)	
Less : Tax on Proposed Dividend for the year		(115.29)	9,107.47	(100.58)	7,793.83
Total			10,424.32		8,783.08

5. LONG-TERM BORROWINGS :		As at 31st March 2014		As at 31st March 2013	
Secured					
Term Loans					
From Banks					
- From The Hongkong and Shanghai Banking Corporation Limited			250.00		500.00
Other Loans (Vehicle Loans)					
- From Axis Bank Limited			0.85		19.56
- From Yes Bank Limited			5.59		-
- From ICICI Bank Limited			23.99		33.25
Total			280.43		552.81

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

5.1 Nature of Security and Terms of Repayment of Secured Borrowings :
a) From The Hongkong and Shanghai Banking Corporation Limited

Secured by first charge over movable Fixed Assets of the Company with an asset cover of 1.5 times of the Term Loan facility and also secured by second pari passu charge over Current Assets with State Bank of India.

Repayable in 8 equated quarterly installments of ₹ 62.50 from April 2014 (including current maturities of Long Term Debt refer Note 10 "Other Current Liabilities"), at interest rate of 10.50% per annum.

b) Vehicle Loans from Axis Bank Limited, ICICI Bank Limited and Yes Bank Limited

Vehicle Loans are secured by hypothecation of respective vehicles.

Repayable over 1-3 Years at interest rate of 9.10% - 10.99%.

		As at 31st March 2014	As at 31st March 2013
6.	DEFERRED TAX LIABILITIES (NET)		
	Tax Impact of –		
	Assets :		
	Accrued expenses deductible when paid	(60.30)	(20.32)
	Liabilities :		
	Difference between Tax Depreciation and Book Depreciation	278.20	336.87
	Net Liability	217.90	316.55
<hr/>			
		As at 31st March 2014	As at 31st March 2013
7.	LONG-TERM PROVISIONS		
	Provision for Employee Benefits		
	Compensated Absence	18.49	17.79
	Total	18.49	17.79
<hr/>			
		As at 31st March 2014	As at 31st March 2013
8.	SHORT-TERM BORROWINGS :		
	Secured		
	Loans from Banks		
	Working Capital Loans repayable on demand		
	- From State Bank of India	2,701.59	3,093.48
	- From The HongKong and Shanghai Banking Corporation Limited	1,569.43	1,583.83
	Total	4,271.02	4,677.31
<hr/>			
8.1	The Loans from State Bank of India and The Hongkong and Shanghai Banking Corporation 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.		
		As at 31st March 2014	As at 31st March 2013
9.	TRADE PAYABLES :		
	Creditors for Suppliers/Services (Refer Note 9.1)	3,608.42	3,701.35
	Total	3,608.42	3,701.35

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

9.1 Dues to the Micro, Small and Medium 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 2014 are as under :

	As at 31st March 2014	As at 31st March 2013
1. The principal amount remaining unpaid to suppliers as at the end of accounting year	112.89	85.38
2. The interest due thereon remaining unpaid to suppliers as at the end of accounting year	-	-
3. The amount of interest paid in terms of Section 16, along with the amount of payment made to the suppliers beyond the appointment day during the year 2013-2014	-	-
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	-	-
5. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	-	-

	As at 31st March 2014	As at 31st March 2013
10. OTHER CURRENT LIABILITIES :		
Current maturities of Long-Term Debt	287.73	289.41
Unpaid Dividends (Refer Note 10.1 below)	54.97	51.59
Other Payables (Refer Note 10.2 below)	133.23	162.43
Total	475.93	503.43

10.1 There are no amounts due for payment to the Investor Education and Protection Fund under Section 205C of the 1956 Act as at the year end.

	As at 31st March 2014	As at 31st March 2013
10.2 Other Payables		
Advance from Customers	10.08	15.20
Statutory Liabilities	86.11	73.38
Security Deposits received	37.04	30.43
Liability for Gratuity	-	43.42
Total	133.23	162.43

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014		As at 31st March 2013	
11.	SHORT-TERM PROVISIONS :				
	Provision for Employee Benefits				
	- Compensated Absence		0.72		0.58
	- Provident Fund (Refer Note 27.2)		19.76		-
	Others :				
	Provision for Taxation	2,237.39		4,544.68	
	Less : Advance Income Tax/Fringe Benefits Tax and Tax Deducted at Source	2,220.17	17.22	4,547.32	(2.64)
	Proposed Dividend (Refer Note 11.1 below)				
	- On Equity Shares		605.65		519.16
	- On Preference Shares		72.50		72.50
	Tax on Proposed Dividend		115.29		100.58
	Sales Tax (Refer Note 11.2 below)		18.49		-
	Entry Tax (Refer Note 11.2 below)		13.82		61.40
	Total		863.45		751.58

		As at 31st March 2014		As at 31st March 2013	
11.1	Proposed Dividend				
	On Equity Shares of ₹ 10/- Each				
	Amount of Dividend Proposed		605.65		519.16
	Dividend Per Equity Share (₹)		1.75		1.50
	On Preference Shares of ₹ 100/- Each				
	Amount of Dividend Proposed		72.50		72.50
	Dividend Per Preference Share (₹)		5.00		5.00

		As at 31st March 2014		As at 31st March 2013	
		Sales Tax	Entry Tax	Sales Tax	Entry Tax
11.2	Sales Tax/Entry Tax				
	Opening Balance	-	61.40	-	77.41
	Provision during the year	18.49	-	-	-
	Provision Utilised/Paid during the year	-	(47.58)	-	(16.01)
	Closing Balance	18.49	13.82	-	61.40

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

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

12. TANGIBLE ASSETS :									
OWN ASSETS	GROSS BLOCK-AT COST				DEPRECIATION				NET BLOCK
	As at 1st April 2013	Additions during the year	Deductions during the year	Total as at 31st March 2014	Upto 1st April 2013	For the year	Deductions during the year	Total upto 31st March 2014	As at 31st March 2014
Land (Leasehold) (Refer Note 12.1 below)	34.76	–	–	34.76	4.36	0.43	–	4.79	29.97
Land (Freehold)	1.29	–	–	1.29	–	–	–	–	1.29
Buildings	1,285.95	2.47	–	1,288.42	502.37	42.55	–	544.92	743.50
Plant and Equipment	7,832.43	244.52	3.76	8,073.19	4,893.51	583.49	2.41	5,474.59	2,598.60
Furniture and Fixtures	98.68	0.09	–	98.77	88.04	1.84	–	89.88	8.89
Leasehold Improvements	48.91	–	–	48.91	1.50	9.03	–	10.53	38.38
Vehicles	269.59	26.48	22.95	273.12	115.04	45.50	17.34	143.20	129.92
Office Equipment	94.20	6.58	0.71	100.07	25.94	5.83	0.12	31.65	68.42
Computers	69.34	14.13	0.47	83.00	56.63	9.25	0.47	65.41	17.59
Total	9,735.15	294.27	27.89	10,001.53	5,687.39	697.92	20.34	6,364.97	3,636.56

OWN ASSETS	GROSS BLOCK-AT COST				DEPRECIATION				NET BLOCK
	As at 1st April 2012	Additions during 2012-2013	Deductions during 2012-2013	Total as at 31st March 2013	Upto 1st April 2012	For 2012-2013	Deductions during 2012-2013	Total upto 31st March 2013	As at 31st March 2013
Land (Leasehold) (Refer Note 12.1 below)	34.76	–	–	34.76	3.92	0.44	–	4.36	30.40
Land (Freehold)	1.29	–	–	1.29	–	–	–	–	1.29
Buildings	1,278.91	7.04	–	1,285.95	459.99	42.38	–	502.37	783.58
Plant and Equipment	7,645.34	348.73	161.64	7,832.43	4,388.66	547.13	42.28	4,893.51	2,938.92
Furniture and Fixtures	98.13	0.55	–	98.68	85.94	2.10	–	88.04	10.64
Leasehold Improvements	–	48.91	–	48.91	–	1.50	–	1.50	47.41
Vehicles	211.74	70.35	12.50	269.59	46.58	80.88	12.42	115.04	154.55
Office Equipment	51.02	43.18	–	94.20	22.01	3.93	–	25.94	68.26
Computers	61.24	8.53	0.43	69.34	45.28	11.42	0.07	56.63	12.71
Total	9,382.43	527.29	174.57	9,735.15	5,052.38	689.78	54.77	5,687.39	4,047.76

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

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

13. INTANGIBLE ASSETS :									
OWN ASSETS (ACQUIRED)	GROSS BLOCK-AT COST				AMORTISATION				NET BLOCK
	As at 1st April 2013	Additions during the year	Deductions during the year	Total as at 31st March 2014	Upto 1st April 2013	For the year	Deductions during the year	Total upto 31st March 2014	As at 31st March 2014
Goodwill (arising on Amalgamation)	503.06	–	–	503.06	503.06	–	–	503.06	–
Computer Software	25.71	2.35	–	28.06	22.04	4.39	–	26.43	1.63
Intellectual Property Rights (Technical Know-how) (Refer Note 13.1 below)	232.29	–	–	232.29	232.29	–	–	232.29	–
Total	761.06	2.35	–	763.41	757.39	4.39	–	761.78	1.63

OWN ASSETS (ACQUIRED)	GROSS BLOCK-AT COST				AMORTISATION				NET BLOCK
	As at 1st April 2012	Additions during 2012-2013	Deductions during 2012-2013	Total as at 31st March 2013	Upto 1st April 2012	For 2012-2013	Deductions during 2012-2013	Total upto 31st March 2013	As at 31st March 2013
Goodwill (arising on Amalgamation)	503.06	–	–	503.06	503.06	–	–	503.06	–
Computer Software	25.60	0.11	–	25.71	17.23	4.81	–	22.04	3.67
Intellectual Property Rights (Technical Know-how) (Refer Note 13.1 below)	232.29	–	–	232.29	215.89	16.40	–	232.29	–
Total	760.95	0.11	–	761.06	736.18	21.21	–	757.39	3.67

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 2014	For the year ended 31st March 2013
13.2	Depreciation and Amortisation Expense		
	Depreciation on Tangible Assets	697.92	689.78
	Amortisation of Intangible Assets	4.39	21.21
	Total	702.31	710.99

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

	As at 31st March 2014	As at 31st March 2013
14. NON-CURRENT INVESTMENTS :		
Trade Investments-Long Term (Valued at Cost unless stated otherwise)		
Unquoted Equity Investments		
<i>Investment in Subsidiaries</i>		
- IFGL Worldwide Holdings Limited [6,350,000 (31.03.2013 : 6,350,000) Fully paid Equity Shares of GBP 1 each]	5,625.39	5,625.39
- IFGL Exports Limited (Refer Note 14.1 below) [1,101,600 (31.03.2013 : 1,101,600) Fully paid Equity Shares of ₹ 10 each]	1,101.60	1,101.60
<i>Others</i>		
- Krosaki IFGL Refractories Private Limited [NIL (31.03.2013 : 2,000) Fully paid Equity Shares of ₹ 10 each]	-	0.20
Other Investments (Valued at Cost unless stated otherwise)		
<i>Quoted</i>		
- Investments in Debentures or Bonds [50 (31.03.2013 : 50) 8.09% Tax Free Bonds of Power Finance Corporation Limited of Face Value ₹ 100,000 each]	50.00	50.00
Total	6,776.99	6,777.19
Aggregate Amount of Quoted Investments	50.00	50.00
Aggregate Amount of Unquoted Investments	6,726.99	6,727.19
Market Value of Quoted Investments	52.24	50.00

14.1 Shares of IFGL Exports Limited are pledged with Export Import Bank of India for loans granted by them to IFGL Exports Limited.

	As at 31st March 2014	As at 31st March 2013
15. LONG-TERM LOANS AND ADVANCES		
Unsecured, Considered Good		
Capital Advances	4.77	1.55
Security Deposits	95.50	60.76
Total	100.27	62.31

	As at 31st March 2014	As at 31st March 2013
16. OTHER NON-CURRENT ASSETS		
Long-Term Deposits with Banks with original maturity period of more than 12 months*	16.80	28.00
Total	16.80	28.00

*Kept under lien by Bank as margin money against non fund based facilities provided.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
17.	INVENTORIES :		
	Valued at lower of Cost and Net Realisable Value		
	Raw Materials and Components [includes in transit ₹ 196.20 (31.03.2013 : ₹ 592.19)]	2,309.56	2,219.08
	Work-in-Progress (Refer Note 17.1 below)	736.34	705.29
	Finished Goods [includes in transit ₹ 76.66 (31.03.2013 : ₹ 30.48)] (Refer Note 17.2 below)	549.46	553.79
	Stock of Traded Goods (Refer Note 17.3 below)	210.57	228.18
	Stores and Spares	219.83	164.20
	Total	4,025.76	3,870.54
		As at 31st March 2014	As at 31st March 2013
17.1	Details of Work-in-Progress		
	Shaped Refractories	527.77	490.69
	Unshaped Refractories	208.57	214.60
	Total	736.34	705.29
		As at 31st March 2014	As at 31st March 2013
17.2	Details of Finished Goods		
	Shaped Refractories	409.71	448.61
	Unshaped Refractories	139.75	105.18
	Total	549.46	553.79
		As at 31st March 2014	As at 31st March 2013
17.3	Details of Stock of Traded Goods		
	Operating Systems for Refractories	5.55	5.75
	Others	205.02	222.43
	Total	210.57	228.18
		As at 31st March 2014	As at 31st March 2013
18.	TRADE RECEIVABLES		
	Unsecured		
	Outstanding for a period exceeding six months from the date they are due for payment		
	- Considered Good	78.74	51.55
	- Considered Doubtful	21.64	20.58
	Less : Provision for Doubtful Receivables	(21.64)	(20.58)
	Other Receivables		
	- Considered Good	8,115.86	8,338.17
	Total	8,194.60	8,389.72

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
19.	CASH AND CASH EQUIVALENTS		
	Balances with Banks		
	- In Current Accounts	74.34	11.11
	- In Deposits Accounts (with original maturity of less than 3 months)	1,501.00	500.00
	Cheques on Hand	8.24	15.03
	Cash on Hand	15.86	10.53
	Other Bank Balances		
	- On Unclaimed Dividend Accounts	54.97	51.59
	- Deposits with original maturity of more than 3 months but less than 12 months*	39.82	12.18
	Total	1,694.23	600.44

*Above deposit are kept under lien by the Bank as margin money against non fund based facility provided.

		As at 31st March 2014	As at 31st March 2013
20.	SHORT-TERM LOANS AND ADVANCES :		
	Unsecured, Considered Good		
	Loans and Advances to Related Party	257.90	6.08
	Others Loans and Advances		
	- Others (Refer Note 20.1 below)	76.70	50.01
	- Prepaid Expenses	50.37	43.62
	Total	384.97	99.71

		As at 31st March 2014	As at 31st March 2013
20.1	Loans and Advances-Others		
	Advance to Suppliers	7.18	10.43
	Insurance Claims Receivable	21.54	-
	Advance for Expenses	47.98	39.58
	Total	76.70	50.01

		As at 31st March 2014	As at 31st March 2013
21.	OTHER CURRENT ASSETS		
	Unsecured, Considered Good		
	Interest Accrued on Fixed Deposits	27.42	17.53
	Accrued Export Benefits	39.22	57.37
	Balances with Excise Authorities etc.	172.56	140.45
	Total	239.20	215.35

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		(₹ in lacs)	
		For the year ended 31st March 2014	For the year ended 31st March 2013
22.	REVENUE FROM OPERATIONS :		
	Revenue from Sale of Products (Gross) :		
	Finished Goods (Refer Note 22.1 below)	30,425.48	30,418.34
	Traded Goods (Refer Note 22.2 below)	3,194.96	1,555.57
		33,620.44	31,973.91
	Less : Excise Duty	(1,486.93)	(1,692.02)
	Revenue from Sale of Products (Net) :	32,133.51	30,281.89
	Service Income (Refer Note 22.3 below)	574.91	288.33
	Other Operating Revenue (Scrap Sales)	33.91	42.80
	Total	32,742.33	30,613.02
		For the year ended 31st March 2014	For the year ended 31st March 2013
22.1	Details of Sales of Finished Goods		
	Shaped Refractories	26,203.66	25,756.43
	Unshaped Refractories	4,221.82	4,661.91
	Total	30,425.48	30,418.34
		For the year ended 31st March 2014	For the year ended 31st March 2013
22.2	Details of Sales of Traded Goods		
	Shaped Refractories	2,233.10	989.49
	Unshaped Refractories	684.19	299.41
	Others	277.67	266.67
	Total	3,194.96	1,555.57
		For the year ended 31st March 2014	For the year ended 31st March 2013
22.3	Details of Service Income		
	Mechanism and Installation Services	574.91	288.33
	Total	574.91	288.33
		For the year ended 31st March 2014	For the year ended 31st March 2013
23.	OTHER INCOME :		
	Interest Income (Refer Note 23.1)	110.74	78.32
	Liabilities no longer required written back	34.20	11.88
	Other Non Operating Income (Net of Expenses directly attributable to such Income) (Refer Note 23.2)	7.25	155.47
	Total	152.19	245.67

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		For the year ended 31st March 2014		For the year ended 31st March 2013	
23.1	Details of Interest Income				
	Interest on Bank Deposits	81.53		54.94	
	Interest on Customers' Overdue Bills	19.45		23.38	
	Interest Others	9.76		–	
	Total	110.74		78.32	
No interest was capitalised during the year.					
		For the year ended 31st March 2014		For the year ended 31st March 2013	
23.2	Other Non Operating Income				
	Bad Debts Recovery	1.48		22.31	
	Commission	–		1.92	
	Sundry Receipts	5.77		131.24	
	Total	7.25		155.47	
		For the year ended 31st March 2014		For the year ended 31st March 2013	
24.	COST OF MATERIALS AND COMPONENTS CONSUMED :				
	Raw Materials (Refer Note 24.1 and 24.2 below)	14,033.59		15,392.66	
	Total	14,033.59		15,392.66	
		For the year ended 31st March 2014		For the year ended 31st March 2013	
24.1	Details of Materials Consumed				
	Raw Materials				
	Alumina	3,269.76		3,825.78	
	Zirconia	2,849.52		2,648.77	
	Resin	1,501.90		1,592.39	
	Others	6,412.41		7,325.72	
	Total	14,033.59		15,392.66	
		For the year ended 31st March 2014		For the year ended 31st March 2013	
24.2	Cost of Imported and Indigenous Materials Consumed				
	Raw Materials				
	- Imported	7,812.42	55.67	8,007.81	52.02
	- Indigenous	6,221.17	44.33	7,384.85	47.98
	Total	14,033.59	100.00	15,392.66	100.00
	Stores and Spares				
	- Imported	77.90	14.93	50.90	8.79
	- Indigenous	443.98	85.07	528.45	91.21
	Total	521.88	100.00	579.35	100.00

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		For the year ended 31st March 2014	For the year ended 31st March 2013
25.	DETAILS OF PURCHASES OF TRADED GOODS		
	Shaped Refractories	1,944.72	1,099.24
	Unshaped Refractories	496.93	12.21
	Others	205.76	396.43
	Total	2,647.41	1,507.88

		For the year ended 31st March 2014		For the year ended 31st March 2013	
26.	CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
	Opening Stock				
	Finished Goods and Stock of Traded Goods	781.97		806.90	
	Work-in-Progress	705.29	1,487.26	750.21	1,557.11
	Less : Closing Stock				
	Finished Goods and Stock of Traded Goods	760.03		781.97	
	Work-in-Progress	736.34	1,496.37	705.29	1,487.26
	Total		(9.11)		69.85

		For the year ended 31st March 2014		For the year ended 31st March 2013	
27.	EMPLOYEE BENEFITS EXPENSE :				
	Salaries, Wages and Bonus	2,454.46		2,155.21	
	Contribution to Funds (Refer Notes 27.1 and 27.2 below)	293.85		283.57	
	Staff Welfare Expenses	64.54		59.81	
	Total	2,812.85		2,498.59	

27.1 The Company has recognised in the Statement of Profit and Loss for the year ended 31st March 2014 an amount of ₹ 275.34 (31.03.2013 : ₹ 218.76) as expenses under Defined Contribution Plans.

27.2 Provident Fund (Funded)

Provident Fund contributions in respect of employees are made to Trust administered by the Company 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 ₹ 19.76 (31.03.2013 : ₹ NIL) has been actuarially determined by an independent actuary and provided for.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

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

	For the year ended 31st March 2014	For the year ended 31st March 2013
Plan Assets at period end, at Fair Value	–	–
Present Value of benefit obligation at period end (Net of Planned Assets)	19.76	–
Cost of shortfall in Interest Rate Guarantee	19.76	–
Assumptions used in determining the Present Value Obligation of the Interest Rate Guarantee under the Deterministic Approach		
Discount Rate	9.30%	8.00%
Expected Guaranteed Interest Rate	8.75%	8.70%

27.3 Gratuity (Funded)

The Company provides for gratuity, a Defined Benefit Retirement Plan covering eligible employees. As per the Scheme, 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, 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), 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 2014.

27.4 Superannuation (Funded)

In keeping with the Company's Superannuation Scheme (applicable to employees joined before 31st March 2004), 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.

27.5 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).

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

27.6 Following are the further particulars with respect to Defined Benefit Plans of the Company for the year ended 31st March 2014 :

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013
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	520.12	423.28	223.25	206.07	18.37	16.67
Service Cost	33.80	28.25	–	–	3.08	2.12
Interest Cost	41.33	36.15	17.84	17.57	1.46	1.29
Actuarial (Gains)/Losses	(18.20)	38.31	(14.01)	3.07	(3.45)	1.58
(Benefits Paid)	(6.91)	(5.87)	(0.51)	(3.46)	(0.25)	(3.29)
Present Value of Obligation as at the end of the year	570.14	520.12	226.57	223.25	19.21	18.37
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	476.70	410.19	458.77	420.42	–	–
Expected Return on Plan Assets	42.12	35.18	37.60	34.33	–	–
Actuarial Gains/(Losses)	(3.70)	4.11	1.61	7.48	–	–
Contribution by the Company	68.42	33.09	–	–	0.25	3.29
(Benefits Paid)	(6.91)	(5.87)	(0.51)	(3.46)	(0.25)	(3.29)
Fair Value of Plan Assets at the end of the year	576.63	476.70	497.47	458.77	–	–
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	576.63	476.70	497.47	458.77	–	–
Present Value of Obligation at the end of the year	570.14	520.12	226.57	223.25	19.21	18.37
Assets/(Liabilities) recognised in the Balance Sheet	6.49	(43.42)	270.90 #	235.52 #	(19.21)	(18.37)

Actual amount of Asset in the Balance Sheet Nil (31.03.2013 : Nil)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013
d) Expense recognised in the Statement of Profit and Loss :						
Current Service Cost	33.80	28.25	–	–	3.08	2.12
Interest Cost	41.33	36.15	17.84	17.57	1.46	1.29
(Expected Return of Plan Assets)	(42.12)	(35.18)	(37.60)	(34.33)	–	–
Actuarial (Gain)/Loss	(14.50)	34.20	(15.62)	(4.41)	(3.45)	1.58
Total Expense as per the Actuarial Valuation	18.51	63.42	(35.38)	(21.17)	1.09	4.99
Actual Expenses Recognised	**18.51	**63.42	–	–	*1.09	*3.98

*The Expenses for the above benefit are recognised under 'Salary, Wages and Bonus' on Note 27.

**The Expenses for the above benefit are recognised under 'Contribution to Funds' on Note 27.

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013
	%	%	%	%	%	%
e) Category of Plan Assets :						
GOI Securities	5	6	4	5	NA	NA
Bonds	2	3	3	7	NA	NA
State Government/State Government Guaranteed Securities	–	–	2	2	NA	NA
Units of Insurers	92	89	86	80	NA	NA
Others (including Bank Balances)	1	2	5	6	NA	NA
	100	100	100	100	NA	NA
f) Principal Actuarial Assumptions :						
Discount Rate (per annum) (%)	9.30	8.00	9.30	8.00	9.30	8.00
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA	6.00	6.00
Expected Rate of Return on Plan Assets (%)	8.30	8.30	8.20	8.20	NA	NA
Remaining Working Life (in years)	17.71	18.01	11.84	12.80	14.53	15.44
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (modified) ultimate	L.I.C 1994-1996 ultimate	Indian Assured Lives Mortality (2006-2008) (modified) ultimate	L.I.C 1994-1996 ultimate	Indian Assured Lives Mortality (2006-2008) (modified) ultimate	L.I.C 1994-1996 ultimate
Method used	Projected Unit Credit Method					
Actual Return on Plan Assets	38.42	39.29	39.21	41.81	NA	NA

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

g) Other Disclosures :
Gratuity Scheme :

Experience History	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2010
Defined Benefit Obligation at end of the period	(570.14)	(520.12)	(423.28)	(372.92)	(308.48)
Plan Assets at end of the period	576.63	476.70	410.19	339.77	305.64
Funded Status	6.49	(43.42)	(13.09)	(33.15)	(2.84)
Experience Gain/(Loss) adjustments on Plan Liabilities	(26.05)	(18.73)	(20.39)	(33.41)	(52.19)
Experience Gain/(Loss) adjustments on Plan Assets	(3.70)	4.11	(4.83)	2.51	23.90
Actuarial Gain/(Loss) due to change on assumptions	44.25	(19.58)	18.00	-	(24.85)

Superannuation Scheme :

Experience History	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2010
Defined Benefit Obligation at end of the period	(226.57)	(223.25)	(206.07)	(205.57)	(194.98)
Plan Assets at end of the period	497.47	458.77	420.42	398.28	372.33
Funded Status	270.90	235.52	214.35	192.71	177.35
Experience Gain/(Loss) adjustments on Plan Liabilities	3.09	2.64	5.46	4.50	0.67
Experience Gain/(Loss) adjustments on Plan Assets	1.61	7.48	(6.26)	(4.07)	19.94
Actuarial Gain/(Loss) due to change on assumptions	10.92	(5.71)	6.23	-	-

Compensated Absence Scheme :

Experience History	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2010
Defined Benefit Obligation at end of the period	(19.21)	(18.37)	(16.67)	(18.17)	(13.66)
Plan Assets at end of the period	-	-	-	-	-
Funded Status	(19.21)	(18.37)	(16.67)	(18.17)	(13.66)
Experience Gain/(Loss) adjustments on Plan Liabilities	1.47	(0.72)	3.64	(2.18)	0.67
Experience Gain/(Loss) adjustments on Plan Assets	-	-	-	-	-
Actuarial Gain/(Loss) due to change on assumptions	1.98	(0.86)	0.88	-	(1.24)

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.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		(₹ in lacs)	
		For the year ended 31st March 2014	For the year ended 31st March 2013
28.	FINANCE COSTS		
	Interest	212.08	397.95
	Other Borrowing Cost	17.89	7.48
	Total	229.97	405.43
<hr/>			
		For the year ended 31st March 2014	For the year ended 31st March 2013
29.	OTHER EXPENSES :		
	Consumption of Stores and Spare Parts (Refer Note 24.2)	521.88	579.35
	Power and Fuel	1,521.51	1,614.79
	Rent	27.94	25.74
	Rates and Taxes	63.30	50.73
	Repairs :		
	- Machinery	152.12	164.57
	- Buildings	10.82	9.30
	- Others	103.66	77.49
	Insurance	89.01	94.79
	Payment to Auditors (Refer Note 29.1)	21.99	21.64
	Directors' Fees	5.85	6.00
	Bank Charges	55.12	53.11
	Computerisation Expenses	25.05	16.22
	Provision for Doubtful Trade Receivables/Advances	(6.41)	17.72
	Sundry Debit Balances/Advances Written off	91.73	60.62
	Travelling and Conveyance	508.29	487.03
	Site Contractor Expenses	644.18	647.36
	Printing and Stationery	21.96	22.03
	Processing Charges	375.73	382.16
	Professional Charges	120.36	105.80
	Postage, Telephone, Telex etc.	60.71	52.47
	Royalty	177.05	127.63
	Service Charges	150.54	152.94
	Commission and Brokerage	659.83	589.81
	Packing Expenses	864.45	879.50
	Delivery and forwarding Expenses	1,408.97	1,406.14
	Net Loss/(Gain) on Foreign Exchange Rate Fluctuation and Translation (Refer Note 29.2)	811.21	(160.39)
	Security Charges	33.04	24.47
	Miscellaneous Expenses	234.89	226.31
	Total	8,754.78	7,735.33

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		For the year ended 31st March 2014	For the year ended 31st March 2013
29.1	Amounts Paid/Payable to Auditors		
	As Auditors		
	For Statutory Audit	9.00	9.00
	For Tax Audit	2.50	2.50
	For Limited Reviews	6.00	6.00
	Other Certification Services	3.78	3.88
	Reimbursement of Expenses	0.71	0.26

The above amount excludes Service Tax and Education Cess thereon.

29.2 Net Loss of ₹ 811.21 (31.03.2013 : Gain of ₹ 160.39) includes Provision for 'Mark to Market' losses on derivatives of ₹ 116.35 (31.03.2013 : ₹ NIL)

		For the year ended 31st March 2014	For the year ended 31st March 2013
30.	EARNINGS PER SHARE (EPS)-THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED EPS		
	Profit after Tax	2,434.71	1,706.34
	Less : Dividend on Preference Shares	72.50	72.50
	Tax on Dividend on Preference Shares	12.33	12.33
	Profit after Tax attributable to the Equity Shareholders (A)	2,349.88	1,621.51
	Weighted Average number of Equity Shares (in numbers) (B)	34,610,472	34,610,472
	Nominal Value of Equity Shares (in ₹)	10.00	10.00
	Dilutive potential Equity Shares	—	—
	Basic/Diluted EPS (A/B)	6.79	4.69

		As at 31st March 2014	As at 31st March 2013
31.	CONTINGENT LIABILITIES		
	a) Claims against the Company not acknowledged as debts :		
	i) Sales Tax matter under dispute relating to issues of applicability and classification [related payments ₹ 10.30 (31.03.2013 : ₹ 5.49)]	92.08	49.54
	ii) Income Tax matters under dispute relating to issues of applicability and determination	15.88	18.25
	iii) Service Tax/Excise Duty matters under dispute relating to issues of applicability and classification	6.57	4.91
	iv) Custom Duty matters under dispute relating to issues of applicability and classification [related payments ₹ 12.50 (31.03.2013 : ₹ Nil)]	140.65	—
	b) Guarantees		
	Letter of Comfort/Corporate Guarantee given to Banks against Term Loan, Working Capital and Forward Exchange Contracts provided by them to a Subsidiary [limit ₹ 4,000 (31.03.2013 : ₹ 3,700)]		
	Utilised at year end	3,320.13	2,894.01

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

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.

32. CAPITAL AND OTHER COMMITMENTS :

		As at 31st March 2014	As at 31st March 2013
32.1	Capital Commitments		
	Estimated value of contracts on capital account remaining to be executed (Net of Advances) and not provided for	17.25	8.05
	Total	17.25	8.05

32.2 Derivative Instruments :

Derivatives related Commitments

Hedged Position-Forward Contracts

	Purpose	As at 31st March 2014		As at 31st March 2013	
		No. of Contracts	Amount	No. of Contracts	Amount
Forward Contracts to sell € 20.00 (31.03.2013 : NIL)	Hedge of Highly Probable Foreign Currency Sales	2	1,669.54	–	–

Particulars of Unhedged Position		As at 31st March 2014		As at 31st March 2013		
A. Amounts receivable in Foreign Currency	FX Currency	FX Amount (in lacs)	Total INR equivalent	FX Amount (in lacs)	Total INR equivalent	
Debtors Outstanding	\$	12.45	738.76	20.78	1,123.50	
	€	52.74	4,288.48	56.01	3,850.52	
	£	4.34	427.39	1.85	151.23	
B. Amounts payable in Foreign Currency	FX Currency	FX Amount (in lacs)	Total INR equivalent	FX Amount (in lacs)	Total INR equivalent	
	Import of Goods and Services	\$	4.14	250.51	4.18	229.22
		€	5.99	500.30	3.36	237.38
£		0.02	2.35	1.12	93.94	
Loans Payable	\$	19.54	1,181.89	23.46	1,287.64	
	€	33.37	2,785.78	37.43	2,644.97	

NOTES TO THE FINANCIAL STATEMENTS (Contd.)
33. RELATED PARTY DISCLOSURES :

Related Party Disclosures in keeping with Accounting Standard-18 prescribed under 'the 1956 Act' :

List of Related Parties

Where Control exists	
Holding Company	Bajoria Holdings Private Limited
Subsidiary Companies (including Step down Subsidiaries)	IFGL Worldwide Holdings Limited IFGL Exports 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 TPA Private Limited Bajoria Financial Services Private Limited IFGL Bio Ceramics Limited Ganges Art Gallery Private Limited Bajoria Enterprises Limited Bajoria Service Providers Private Limited
Others : Key Management Personnel	S K Bajoria (Chairman) P Bajoria (Managing Director)
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 Coris Heritage Asia Pacific Private Limited

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Particulars of Transactions during the year and year end balances	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
I) With Holding Company : Bajoria Holdings Private Limited		
Rent for Office Premises	9.03	8.67
Maintenance Charges	10.89	10.89
Expenses Reimbursement/Incurred	19.43	13.24
Expenses Recovered/Received	-	0.10
	39.35	32.90
Year end Balances (Trade Payable)	0.75	0.78
II) With Subsidiaries including Step down Subsidiaries		
Purchase of Raw Materials		
Mono Ceramics Inc.	-	0.55
Monocon International Refractories Limited	38.72	67.39
Tianjin Monocon Refractories Company Limited	669.70	974.51
EI Ceramics LLC	0.41	-
Hofmann Ceramic GmbH	3.77	20.30
	712.60	1,062.75
Purchase of Trading Goods		
IFGL Exports Limited	1,606.78	708.55
	1,606.78	708.55
Purchase of Services		
Monocon International Refractories Limited	5.38	-
EI Ceramics LLC	3.67	-
Mono Ceramics Inc.	-	0.37
	9.05	0.37
Sale of Finished Goods		
Monocon International Refractories Limited	1,261.52	522.62
Mono Ceramics Inc.	39.60	86.40
EI Ceramics LLC	0.36	-
Tianjin Monocon Aluminous Refractories Company Limited	4.42	-
Hofmann Ceramic GmbH	31.34	14.15
IFGL Exports Limited	95.89	53.85
	1,433.13	677.02
Commission Earned		
IFGL Exports Limited	219.83	23.74
	219.83	23.74
Royalty Paid		
Hofmann Ceramic GmbH	4.83	3.32
	4.83	3.32

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Particulars of Transactions during the year and year end balances	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
Expenses Reimbursement/Incurred		
Mono Ceramics Inc.	7.72	–
IFGL Exports Limited	7.21	11.40
	14.93	11.40
Expenses Recovered/Received		
Monocon International Refractories Limited	89.11	10.48
Tianjin Monocon Refractories Company Limited	–	0.99
Tianjin Monocon Aluminous Refractories Company Limited	–	0.52
IFGL Exports Limited	2.32	2.26
	91.43	14.25
Non-Current Investment (Purchased)		
IFGL Exports Limited	–	385.05
	–	385.05
Interest Received on Loan Given		
IFGL Exports Limited	7.15	2.63
	7.15	2.63
Loan Given		
IFGL Exports Limited	250.00	200.00
	250.00	200.00
Loan amount received back		
IFGL Exports Limited	–	200.00
	–	200.00
Year end Balances		
Trade Payables		
Monocon International Refractories Limited	16.83	63.40
Tianjin Monocon Refractories Company Limited	25.16	191.42
Hofmann Ceramic GmbH	4.33	11.97
IFGL Exports Limited	512.70	365.28
	559.02	632.07
Commission Payable		
Mono Ceramics Inc.	–	1.89
Monotec Refratarios Ltda	–	6.27
	–	8.16
Trade Receivables		
Monocon International Refractories Limited	466.19	163.70
Tianjin Monocon Refractories Company Limited	1.15	–
Mono Ceramics Inc.	–	23.29
IFGL Exports Limited	89.76	40.72
	557.10	227.71

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Particulars of Transactions during the year and year end balances	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
Loans and Advances		
Monocon International Refractories Limited	7.90	5.29
Tianjin Monocon Refractories Company Limited	–	0.07
Tianjin Monocon Aluminous Refractories Company Limited	–	0.07
IFGL Exports Limited	250.00	0.62
	257.90	6.05
Non-Current Investment		
IFGL Worldwide Holdings Limited	5,625.39	5,625.39
IFGL Exports Limited	1,101.60	1,101.60
	6,726.99	6,726.99
Corporate Guarantee/Letter of Comfort		
IFGL Exports Limited	3,320.13	2,894.01
	3,320.13	2,894.01
III) With Fellow Subsidiaries		
Sale of Finished Goods		
IFGL Bio Ceramics Limited	33.86	33.36
	33.86	33.36
Sale of Services		
IFGL Bio Ceramics Limited	19.52	–
	19.52	–
Expenses Reimbursement/Incurred		
Bajoria Enterprises Limited	12.00	–
	12.00	–
Expenses Recovered/Received		
Heritage Health TPA Private Limited	–	6.00
IFGL Bio Ceramics Limited	0.04	0.43
	0.04	6.43
Year end Balances		
Trade Payables		
IFGL Bio Ceramics Limited	–	3.92
	–	3.92
Trade Receivables		
IFGL Bio Ceramics Limited	–	1.99
	–	1.99

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Particulars of Transactions during the year and year end balances	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
IV) With Key Management Personnel		
Director's Remuneration	137.75	126.39
S K Bajoria (Chairman)	160.42	143.52
P Bajoria (Managing Director)	298.17	269.91
Director's Commission		
S K Bajoria (Chairman)	40.00	17.13
P Bajoria (Managing Director)	40.00	–
	80.00	17.13
Year end Balances		
Director's Commission		
S K Bajoria (Chairman)	53.28	17.13
P Bajoria (Managing Director)	39.66	–
	92.94	17.13
V) With Relative of Key Management Personnel		
Sale of Investments		
Smita Bajoria	0.17	–
	0.17	–
Remuneration		
Akshay Bajoria	3.09	3.02
	3.09	3.02
VI) With Enterprise in which a Key Management Personnel has significant influence		
Expenses Recovered/Received		
Heritage Insurance Brokers Private Limited	0.70	0.88
	0.70	0.88
Year end Balances		
Trade Receivables		
Heritage Insurance Brokers Private Limited	0.02	–
	0.02	–
Loans and Advances		
Heritage Insurance Brokers Private Limited	–	0.03
	–	0.03

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

34. 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 :

	For the year ended 31st March 2014	For the year ended 31st March 2013
Within 1 Year	9.03	8.67
More than 1 Year upto 5 Years	24.47	24.63
Total	33.50	33.30

Lease Rentals recognised in Note 29 under the heading 'Rent' of the Statement of Profit and Loss amounting to ₹ 9.03 (31.03.2013 : ₹ 8.67).

	For the year ended 31st March 2014	For the year ended 31st March 2013
35. CIF VALUE OF IMPORTS		
Raw Materials	7,460.23	7,040.83
Stores and Spares	49.96	62.31
Trading Items	57.19	142.72
Capital Goods	28.86	59.41

	For the year ended 31st March 2014	For the year ended 31st March 2013
36. EXPENDITURE IN FOREIGN CURRENCY		
Salaries and Wages	581.00	533.72
Travelling	189.05	190.59
Commission	598.60	525.21
Royalty	177.02	127.54
Interest	13.11	14.12
Export Selling Expenses	180.34	218.23
Professional Fees	19.57	9.33
Others	110.31	63.01

	For the year ended 31st March 2014	For the year ended 31st March 2013
37. EARNINGS IN FOREIGN EXCHANGE		
FOB value of Exports	11,049.69	9,260.27
Sale of Fixed Asset	–	127.54
Sundry Receipts	–	102.11

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		(₹ in lacs)	
		For the year ended 31st March 2014	For the year ended 31st March 2013
38.	DIVIDEND REMITTED IN FOREIGN CURRENCY		
	a) Amount Remitted		
	- for the year 2012-2013	-	-
	- for the year 2011-2012	-	51.38
	b) Number of Non-Resident Shareholders	1	2
	c) Number of Shares held by them	5,006,956	5,006,956

39. SEGMENT REPORTING

In terms of Accounting Standard 17 'Segment Reporting' prescribed under 'the 1956 Act', segment information has been presented in the Consolidated Financial Statements of the Company included in the Annual Report. Given below is the information relating to Geographical Market of the Company :

		For the year ended 31st March 2014	For the year ended 31st March 2013
Revenue from Operations			
	India	14,065.99	15,192.33
	Outside India		
	Direct Exports	11,641.23	9,843.57
	Indirect Exports	7,187.30	5,822.79
	Total	32,894.52	30,858.69
Carrying amount of Assets			
	India	19,407.50	18,677.74
	Outside India		
	Branch Assets in Italy	33.42	19.09
	Debtors-Direct Exports	3,155.60	3,336.52
	Debtors-Indirect Exports	2,474.49	2,181.60
	Total	25,071.01	24,214.95
Purchase of Tangible and Intangible Assets			
	India	295.93	526.96
	Outside India	0.69	0.44

40. PREVIOUS YEAR FIGURES

Previous year's figures have been re-grouped/re-classified wherever necessary to conform with the current year's classification.

Signatures to Note '1' to '40'

On behalf of the Board of Directors

R Agarwal
Company Secretary

P Bajoria
Managing Director

S K Bajoria
Chairman

Cash Flow Statement
Notes to the Financial Statements
Statement U/s 212

STATEMENT U/S 212 OF THE COMPANIES ACT, 1956 REGARDING SUBSIDIARY COMPANIES As at 31st March 2014

Subsidiary	Capital	Reserve	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend
Subsidiary										
IFGL Exports Limited, India	216.00	1,704.85	5,869.68	3,948.83	-	4,000.32	347.29	-	347.29	-
IFGL Worldwide Holdings Limited, Isle of Man	6,358.26	4,841.20	5,269.79	-	-	-	361.43	-	361.43	-
Step Down Subsidiaries										
EI Ceramics LLC, USA	844.27	1,483.68	4,228.39	1,900.44	-	10,054.84	1,438.02	492.02	946.00	-
Goricon Metallurgical Services Limited, (Wales), UK	60.08	556.78	640.92	24.06	-	84.45	(1.74)	2.41	(4.15)	-
Hofmann Ceramic CZ s.r.o., Czech Republic	57.18	(698.23)	220.32	861.38	-	588.23	(19.09)	-	(19.09)	-
Hofmann Ceramic GmbH, Germany	215.16	2,105.44	3,141.93	945.34	-	8,248.83	209.45	69.66	139.80	-
Hofmann Ceramic LLC, USA	17.83	101.30	138.90	19.78	-	-	64.01	20.42	43.59	-
Hofmann Ceramic Limited, U.K	0.10	-	0.10	-	-	-	-	-	-	-
Hofmann GmbH & Co. OHG, Germany	96.39	1,054.48	1,457.67	306.80	-	-	82.90	1.58	81.32	-
Hofmann Pymetric LLC, USA	0.34	6.98	14.47	-	-	-	11.23	-	11.23	-
IFGL GmbH, Germany	5,166.22	(86.59)	32.74	114.74	-	-	(7.87)	5.25	(13.12)	-
IFGL Inc., USA	2,413.60	1,180.02	41.46	3,121.68	-	-	722.51	(34.89)	757.40	-
IFGL Monocon Holdings Limited, UK	5,006.50	-	-	25.03	-	-	-	-	-	-
Mono Ceramics Inc, USA	2,609.45	2,858.44	5,890.40	3,125.45	-	5,863.04	202.67	68.14	134.53	-
Monocon International Refractories Limited, UK	0.10	9,213.58	9,447.62	9,880.65	-	19,759.09	2,010.76	477.40	1,533.35	-
Monocon Overseas Limited, UK	1.00	8,132.99	4.46	631.13	-	-	56.64	12.91	43.73	-
Monotec Refratarios Ltda, Brazil	259.36	(259.36)	-	-	-	-	-	-	-	-
Tianjin Monocon Aluminous Refractories Company Limited, PRC	519.60	362.56	1,065.97	183.81	-	1,983.74	101.17	18.13	83.04	-
Tianjin Monocon Refractories Company Limited, PRC	140.18	400.85	1,509.23	968.20	-	5,214.68	226.66	56.67	170.00	371.60 @

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

NOTES :

- Balance Sheet figures have been converted into Indian Rupees by applying year end Foreign Exchange Closing Rate of ₹ 82.75 equivalent to 1 Euro, ₹ 100.13 equivalent to 1 GBP and ₹ 60.34 equivalent to 1 USD. Profit and Loss figures have however been converted into Indian Rupees by using Average Exchange Rate of ₹ 80.85 equivalent to 1 Euro, ₹ 96.01 equivalent to 1 GBP and ₹ 59.96 equivalent to 1 USD.
- Investments exclude investments made in Subsidiary Companies.

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF IFGL REFRACTORIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of IFGL Refractories Limited (the 'Company') and its Subsidiaries (the Company and its Subsidiaries constitute 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March 2014, 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.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these Consolidated Financial Statements 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. This responsibility includes the design, implementation and maintenance of Internal Control relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by The Institute of Chartered Accountants of India. Those Standards require that we comply with 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 Control relevant to the Company's preparation and presentation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's Internal Control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

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 the reports of the other auditors on the Financial Statements of the Subsidiaries referred to below in the Other Matter paragraph, the aforesaid Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2014
- b) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Independent Auditors' Report

Consolidated Balance Sheet

Consolidated Statement of Profit and Loss

81**INDEPENDENT AUDITORS' REPORT** *(Contd.)***Other Matter**

We did not audit the Financial Statements of 19 Subsidiaries whose Financial Statements reflect Total Assets (Net) of ₹ 39,024.12 lacs as at 31st March 2014, Total Revenues of ₹ 45,021.23 lacs and Net Cash outflows amounting to ₹ 839.56 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. These Financial Statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

Kolkata
10th May 2014

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

CONSOLIDATED BALANCE SHEET

As at 31st March 2014

(₹ in lacs)

	Note No.	As at 31st March 2014		As at 31st March 2013	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds :					
a) Share Capital	4	4,911.05		4,911.05	
b) Reserves and Surplus	5	27,988.33	32,899.38	19,641.44	24,552.49
2. Minority Interest			948.38		782.89
3. Non-Current Liabilities :					
a) Long-Term Borrowings	6	4,050.55		5,393.40	
b) Deferred Tax Liabilities (Net)	7	737.38		648.66	
c) Long-Term Provisions	8	19.41	4,807.34	18.13	6,060.19
4. Current Liabilities :					
a) Short-Term Borrowings	9	5,770.91		6,030.54	
b) Trade Payables	10	9,619.65		7,986.22	
c) Other Current Liabilities	11	2,097.20		1,661.00	
d) Short-Term Provisions	12	1,225.30	18,713.06	926.48	16,604.24
Total			57,368.16		47,999.81
II. ASSETS					
1. Non-Current Assets :					
a) Fixed Assets :					
i) Tangible Assets	13	12,374.06		11,976.76	
ii) Intangible Assets	14	1.98		7.02	
iii) Capital Work-in-Progress		79.22	12,455.26	203.61	12,187.39
b) Goodwill on Consolidation	15		13,420.70		11,054.69
c) Non-Current Investments	16		50.00		50.20
d) Long-Term Loans and Advances	17		127.10		98.28
e) Other Non-Current Assets	18		16.80		28.00
2. Current Assets :					
a) Inventories	19	10,340.30		8,480.45	
b) Trade Receivables	20	16,582.37		14,267.56	
c) Cash and Cash Equivalents	21	3,065.98		1,132.63	
d) Short-Term Loans and Advances	22	946.48		415.26	
e) Other Current Assets	23	363.17	31,298.30	285.35	24,581.25
Total			57,368.16		47,999.81

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

Kolkata

10th May 2014

On behalf of the Board of Directors

R Agarwal
 Company Secretary

P Bajoria
 Managing Director

S K Bajoria
 Chairman

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the year ended 31st March 2014

(₹ in lacs)

	Note No.	For the year ended 31st March 2014		For the year ended 31st March 2013	
I. REVENUE FROM OPERATIONS (GROSS)	24	79,258.60		68,810.43	
Less : Excise Duty		(1,495.05)		(1,692.02)	
Revenue from Operations (Net)			77,763.55		67,118.41
II. Other Income	25		335.96		453.12
III. Total Revenue (I + II)			78,099.51		67,571.53
IV. EXPENSES :					
Cost of Materials and Components Consumed	26	32,073.29		32,005.76	
Purchases of Stock-in-Trade	27	7,057.96		3,110.90	
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	28	(1,349.15)		110.02	
Employee Benefits Expense	29	10,967.65		9,866.14	
Finance Costs	30	694.48		795.32	
Depreciation and Amortisation Expense	14.2	1,547.84		1,340.20	
Other Expenses	31	18,050.40		16,211.42	
Total Expenses			69,042.47		63,439.76
V. PROFIT BEFORE TAX (III-IV)			9,057.04		4,131.77
VI. Tax Expense :					
1) Current Tax Expense		2,563.22		1,428.69	
2) Current Tax Expense Relating to Prior Years		13.36		-	
3) Deferred Tax (Reversals)/Charge		(96.24)	2,480.34	166.04	1,594.73
VII. Profit after Tax (V-VI)			6,576.70		2,537.04
VIII. Minority Interest			(175.68)		284.13
IX. PROFIT FOR THE YEAR (VII + VIII)			6,401.02		2,821.17
X. Earnings Per Share :					
1) Basic	32		18.25		7.91
2) Diluted	32		18.25		7.91

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

Kolkata

10th May 2014

On behalf of the Board of Directors

R Agarwal
Company Secretary

P Bajoria
Managing Director

S K Bajoria
Chairman

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March 2014

(₹ in lacs)

	For the year ended 31st March 2014		For the year ended 31st March 2013	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before Tax and Minority Interest		9,057.04		4,131.77
Adjustments for :				
Depreciation and Amortisation Expense	1,547.84		1,340.20	
Finance Costs (Net of Interest Income)	565.82		717.00	
Liabilities no longer required written back	(42.01)		(75.62)	
Gain on Sale/Discard of Assets (Net)	(7.79)		(5.59)	
Bad Debts/Advances written off	91.72		315.53	
Provision for Doubtful Trade and Other Receivables	41.08		207.02	
Loss on Sale of Investments (Net)	0.03		–	
Provision for Contingencies	18.49		–	
Provision for estimated loss on Derivative	116.34		–	
Unrealised Foreign Exchange (Gain)/Loss (Net)	468.08		(42.05)	
Effect of change in Foreign Exchange Translation	(384.02)	2,415.58	(17.13)	2,439.36
Operating Profit before Working Capital changes		11,472.62		6,571.13
Adjustments for :				
Trade and Other Receivables	(3,030.94)		(3,297.54)	
Inventories	(1,859.85)		65.77	
Trade and Other Payables	1,041.75	(3,849.04)	460.01	(2,771.76)
Cash generated from Operations		7,623.58		3,799.37
Income Taxes Paid (Net)		(2,363.39)		(1,965.60)
Cash flows before extra-ordinary items		5,260.19		1,833.77
Net Cash Generated from Operating Activities (A)		5,260.19		1,833.77
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Capital Expenditure on Fixed Assets including Capital Advances	(998.41)		(1,939.67)	
Proceeds from sale of Fixed Assets	18.61		143.09	
Sale of Long-Term Investments	0.17		–	
Interest Received	112.39	(867.24)	77.58	(1,719.00)
Net Cash used in Investing Activities (B)		(867.24)		(1,719.00)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March 2014 (Contd.)

(₹ in lacs)

	For the year ended 31st March 2014		For the year ended 31st March 2013	
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Repayment of Long-Term Borrowings	(931.39)		(945.64)	
(Repayment)/Proceeds from Short-Term Borrowings	(16.84)		1,134.62	
Increase/(Decrease) in Cash Credit facilities	(242.79)		-	
Proceeds from Minority	(10.19)		368.86	
Finance Costs	(694.48)		(795.32)	
Dividend Paid	(588.31)		(591.71)	
Tax on Dividend	(215.90)	(2,699.90)	(117.00)	(946.19)
Net Cash used in Financing Activities (C)		(2,699.90)		(946.19)
D. EXCHANGE DIFFERENCES ON TRANSLATION OF FOREIGN CURRENCY		229.10		6.50
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)		1,922.15		(824.92)
Cash and Cash Equivalents at the beginning of the year		1,132.63		1,947.55
Cash and Cash Equivalents at the end of the year		3,054.78		1,122.63
Reconciliation of Cash and Cash Equivalents with the Balance Sheet :				
Cash and Cash Equivalents (Refer Note 19)		3,065.98		1,132.63
Add/(Less) : Bank Balances not considered as Cash and Cash Equivalents				
i) In other Deposit Accounts-Original Maturity more than 3 Months		16.80		28.00
Net Cash and Cash Equivalents included in Note 16-Closing				
ii) In other Deposit Accounts-Original Maturity more than 3 Months		(28.00)		(38.00)
Net Cash and Cash Equivalents included in Note 16-Opening		3,054.78		1,122.63

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.
- Previous Year's figures have been re-grouped/re-classified wherever necessary to conform with the current year's classification.
- Cash and Cash Equivalents include ₹ 54.97 (31.03.2013 : ₹ 51.59) in respect of unpaid dividend accounts.

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

Kolkata

10th May 2014

On behalf of the Board of Directors

R Agarwal

Company Secretary

P Bajoria

Managing Director

S K Bajoria

Chairman

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lacs)

1. The Consolidated Financial Statements (CFS) of the Company 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 notified under Section 211(3C) of the Companies Act, 1956 ('the 1956 Act') [which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ('the 2013 Act') in terms of General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs] and the relevant provisions of the 1956 Act/2013 Act, as applicable. The Consolidated Financial Statements have been prepared on accrual basis under the Historical Cost Convention. The accounting policies adopted in the preparation of the Consolidated Financial Statements are consistent with those followed in the previous year.

2. PRINCIPLES OF CONSOLIDATION :

2.1 The CFS comprises of the Financial Statements of IFGL Refractories Limited (the Company) and its Subsidiary Companies (Group). The CFS are in conformity with Accounting Standard 21 on 'Consolidated Financial Statements' notified under Section 211(3C) of the 1956 Act, and are prepared on the following basis :

- a) 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.
- b) 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 below, are presented to the extent possible, in the same manner as the Company's separate Financial Statements.
- c) 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.
- d) 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.
- e) 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.
- f) 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 2013. These Subsidiaries have been consolidated using the Financial Statements for the year ended on that date adjusted for movements to 31st March 2014.

2.2 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
IFGL Exports Limited (IEL)	India	51%	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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Accounting Year Ended
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 Pyemetric LLC (HPLLC)	USA	51%	31st March
IFGL Inc. (IFGL INC)	USA	100%	31st March
EI Ceramics LLC (EICLLC)	USA	100%	31st March

3. Accounting policies for the Group are same as followed by the Company as indicated in Note 2 of the Company's Financial Statements for the year ended 31st March 2014, 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 XIV to the 1956 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 ₹ 505.51 (31.03.2013 : ₹ 466.91) and ₹ 7,399.58 (31.03.2013 : ₹ 6,076.64) 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 2014	As at 31st March 2013
Depreciation	32.66%	34.84%
Accumulated Depreciation	52.32%	50.75%

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 37.35% (31.03.2013 : 32.11%). However, had the Weighted Average Method being used at the Subsidiaries, the impact on inventory valuation is likely to be not material.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
4.	SHARE CAPITAL :		
	Authorised		
	40,000,000 (31.03.2013 : 40,000,000) Equity Shares of ₹ 10/- each	4,000.00	4,000.00
	2,000,000 (31.03.2013 : 2,000,000) 5% Redeemable Non Cumulative Preference Shares of ₹ 100/- each	2,000.00	2,000.00
	Total	6,000.00	6,000.00
	Issued, Subscribed and Fully Paid Up		
	34,610,472 (31.03.2013 : 34,610,472) Equity Shares of ₹ 10/- each, fully paid up	3,461.05	3,461.05
	1,450,000 (31.03.2013 : 1,450,000) 5% Redeemable Non Cumulative Preference Shares of ₹ 100/- each, fully paid up	1,450.00	1,450.00
	Total	4,911.05	4,911.05

		Equity Shares		Preference Shares	
		No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
4.1	Reconciliation of Number of Shares				
	Shares outstanding on 01.04.2013	34,610,472	3,461.05	1,450,000	1,450.00
	Shares outstanding on 31.03.2014	34,610,472	3,461.05	1,450,000	1,450.00

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 Terms/Rights attached to Redeemable Non Cumulative Preference Shares (RNCPS)

The 5% Redeemable Non Cumulative Preference Shares are redeemable at par at the end of ten years from the date of allotment (i.e. 3rd September 2010) or any earlier date at the option of the Company except that the said shares shall not be redeemed within the initial period of three years from the date of allotment. In the event of liquidation of the Company, the Preference Shareholders will have priority over Equity Shares in the payment of dividend and repayment of capital.

Every member holding Preference Share Capital shall have the right to vote in respect of all resolutions placed before the Company which directly affect the rights attached to Preference Shares.

4.4 Shares Held by the Holding Company and Subsidiaries of the Holding Company

Name of Shareholder	Relationship	Nature of Shares	As at 31st March 2014		As at 31st March 2013	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Bajoria Holdings Private Limited (BHPL)	Holding Company	Equity	18,320,973	52.93	18,320,973	52.93
Bajoria Holdings Private Limited			640,000	44.14	640,000	44.14
Bajoria Enterprises Limited	Subsidiaries of BHPL	Preference	230,000	15.86	230,000	15.86
Bajoria Financial Services Private Limited			420,000	28.97	420,000	28.97
Bajoria Service Providers Private Limited			160,000	11.03	160,000	11.03

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

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

Name of Shareholder	Relationship	Nature of Shares	As at 31st March 2014		As at 31st March 2013	
			No. of Shares held	% of Holding	No. of Shares held	% of Holding
Krosaki Harima Corporation, Japan	Foreign Promoter	Equity	5,006,956	14.47	5,006,956	14.47
Bajoria Holdings Private Limited	Holding Company		18,320,973	52.93	18,320,973	52.93
Bajoria Holdings Private Limited		Preference	640,000	44.14	640,000	44.14
Bajoria Enterprises Limited	Fellow Subsidiaries		230,000	15.86	230,000	15.86
Bajoria Financial Services Private Limited			420,000	28.97	420,000	28.97
Bajoria Service Providers Private Limited			160,000	11.03	160,000	11.03

		As at 31st March 2014		As at 31st March 2013	
5.	RESERVES AND SURPLUS				
	Capital Reserve as at the beginning and end of the year		5.00		5.00
	Capital Redemption Reserve				
	Balance as at the beginning of the year	365.00		220.00	
	Add : Transferred from Statement of Profit and Loss	145.00	510.00	145.00	365.00
	General Reserve				
	Balance as at the beginning of the year	619.25		533.93	
	Add : Transfer from Statement of Profit and Loss	182.60	801.85	85.32	619.25
	Foreign Exchange Translation Reserve				
	Balance as at the beginning of the year	2,190.47		1,935.36	
	Add : Net addition during the year	2,854.66	5,045.13	255.11	2,190.47
	Surplus in the Statement of Profit and Loss				
	Balance as at the beginning of the year	16,461.72		14,584.18	
	Add : Profit for the year	6,401.02		2,821.17	
	Less : Transferred to Capital Redemption Reserve	(145.00)		(145.00)	
	Less : Transferred to General Reserve	(182.60)		(85.32)	
	Less : Dividend on Non Cumulative Preference Shares for the year	(72.50)		(72.50)	
	Less : Dividend on Equity Shares for the year	(605.68)		(519.21)	
	Less : Tax on Proposed Dividend for the year	(230.61)	21,626.35	(121.60)	16,461.72
	Total		27,988.33		19,641.44

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(₹ in lacs)	
		As at 31st March 2014	As at 31st March 2013
6.	LONG-TERM BORROWINGS :		
	Secured		
	Term Loans		
	From Banks		
	- From Export Import Bank of India [(Rupee Loan and Foreign Currency Loan) (Refer Note 6.1 (i)(a)(b))]	1,687.57	2,249.04
	- From The Hongkong and Shanghai Banking Corporation Limited [Refer Note 6.1 (ii)]	250.00	500.00
	- From Fifth Third Bank [Refer Note 6.1 (iii) and (iv)]	1,860.89	2,334.40
	- From Volksbank Dill eG [Refer Note 6.1 (v)]	213.82	246.60
	Other Loans (Vehicles)		
	- From Credium AS [Refer Note 6.1 (vi)(a)]	7.84	7.01
	- From Axis Bank Limited [Refer Note 6.1 (vi)(a)]	0.85	19.56
	- From Yes Bank Limited [Refer Note 6.1 (vi)(a)]	5.59	-
	- From ICICI Bank Limited [Refer Note 6.1 (vi)(a)]	23.99	33.25
	Long-Term maturities of Finance Lease Obligations		
	- From TMH Leasing [Refer Note 6.1 (vii)]	-	3.54
	Total	4,050.55	5,393.40

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 movable and immovable Fixed Assets, both present and future and second charge on the entire Current Assets including receivables, both present and future of IFGL Exports Limited and further secured by the following Collateral Securities :
 - a) Pledge of 1,101,600 (31.03.2013 : 1,101,600) Equity Shares of IFGL Exports Limited held by the Company and
 - b) Default payment guarantee of the Company.
- ii) **From The Hongkong and Shanghai Banking Corporation Limited** is secured by first charge over movable Fixed Assets of the Company with an asset cover of 1.5 times of the Term Loan facility and also secured by second pari passu charge over Current Assets of the Company with State Bank of India.
- iii) **Loan from Fifth Third Bank ₹ 1,236.64 at Mono Ceramics Inc.** is secured by all the assets of the Company (Mono Ceramics) and its Subsidiaries. In addition it is also secured by an unlimited and unsecured guarantee of its Parent Company, Monocon Overseas Limited.
- iv) **Loan from Fifth Third Bank ₹ 624.25 at EI Ceramics LLC** is secured by specific real estates and properties of EI Ceramics LLC.
- v) **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.
- vi) **Vehicle Loan**
Vehicle Loans are secured by hypothecation of respective vehicles.
- vii) **Finance Lease obligation** is secured by hypothecation of the specific asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(₹ in lacs)	
		As at 31st March 2014	As at 31st March 2013
7.	DEFERRED TAX LIABILITIES (NET)		
	Tax Impact of –		
	Assets :		
	Accrued expenses deductible when paid	(129.28)	(87.92)
	Liabilities :		
	Difference between Tax Depreciation and Book Depreciation	866.66	736.58
	Net Liability	737.38	648.66
<hr/>			
		As at 31st March 2014	As at 31st March 2013
8.	LONG-TERM PROVISIONS		
	Provision for Employee Benefits		
	Compensated Absence	19.41	18.13
	Total	19.41	18.13
<hr/>			
		As at 31st March 2014	As at 31st March 2013
9.	SHORT-TERM BORROWINGS :		
	Secured		
	Loans from Banks		
	Working Capital Loans repayable on demand		
	- From Ceskoslovenska obchodni Banka, a.s [(CSOB Bank)(Refer Note 9.1 below)]	17.31	26.53
	- From State Bank of India (Refer Note 9.2 below)	2,701.59	3,093.48
	- From HSBC Plc (Refer Note 9.3)	416.15	680.50
	- From Fifth Third Bank (Refer Note 9.4)	–	271.28
	- From The HongKong and Shanghai Banking Corporation Limited (Refer Note 9.2 below)	1,569.45	1,583.83
	- From ICICI Bank Limited (Refer Note 9.5)	1,018.89	345.10
	Unsecured		
	Loans from Banks :		
	- From Volksbank Dill eG	–	14.12
	- From Postbank	23.07	15.70
	- From Commerz Bank AG	18.97	–
	- From Others	5.48	–
	Total	5,770.91	6,030.54

9.1 The Loan from CSOB Bank is secured by Blank Promissory Note.

9.2 The Loan from State Bank of India and The Hongkong and Shanghai Banking Corporation 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

9.3 The Working Capital Loan from HSBC Bank Plc is secured by :

- i) Debentures comprising fixed and floating charges over all the Assets and Undertakings of IMHL, MOL, MIRL and GMSL, including all present and future freehold and leasehold property, books and other debts, chattels, goodwill and uncalled capital.
- ii) Letter of priority to The Hongkong and Shanghai Banking Corporation Limited over all Currents Assets of IMHL, MOL, MIRL and GMSL.
- iii) Composite Company Guarantee from MIRL, IMHL, MOL, GMSL and IWHL.

9.4 The Loan from Fifth Third Bank - For security Refer Note 6.1 (iii) and (iv).

9.5 Cash Credit from ICICI Bank Limited is secured by :

- a) Pari passu charge on Current Assets and receivables and second and subservient charge on movable properties of IFGL Exports Limited.
- b) Corporate Guarantee of the Company.

		As at 31st March 2014	As at 31st March 2013
10.	TRADE PAYABLES		
	Creditors for Supplies/Services	9,619.65	7,986.22
	Total	9,619.65	7,986.22

		As at 31st March 2014	As at 31st March 2013
11.	OTHER CURRENT LIABILITIES :		
	Current maturities of Long-Term Debt	1,871.70	1,445.79
	Unpaid Dividends	54.97	51.59
	Other Payables (Refer Note 11.1 below)	170.53	163.62
	Total	2,097.20	1,661.00

		As at 31st March 2014	As at 31st March 2013
11.1	Other Payables		
	Advance from Customers	36.17	15.20
	Statutory Liabilities	95.03	73.13
	Security Deposits received	37.04	30.43
	Liability for Gratuity	2.29	44.86
	Total	170.53	163.62

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014		As at 31st March 2013	
12.	SHORT-TERM PROVISIONS :				
	Provision for Employee Benefits				
	- Compensated Absence		0.72		0.58
	- Provident Fund		19.76		-
	Others :				
	Provision for Taxation	3,301.85		4,202.84	
	Less : Advance Income Tax/Fringe Benefits Tax and Tax Deducted at Source	2,922.78	379.07	4,030.58	172.26
	Proposed Dividend (Refer Note 12.1 below)				
	- On Equity Shares		605.65		519.16
	- On Preference Shares		72.50		72.50
	Tax on Proposed Dividend		115.29		100.58
	Sales Tax (Refer Note 12.2 below)		18.49		-
	Entry Tax (Refer Note 12.2 below)		13.82		61.40
	Total		1,225.30		926.48

		As at 31st March 2014		As at 31st March 2013	
12.1	Proposed Dividend				
	On Equity Shares of ₹ 10/- Each				
	Amount of Dividend Proposed		605.65		519.16
	Dividend Per Equity Share (₹)		1.75		1.50
	On Preference Shares of ₹ 100/- Each				
	Amount of Dividend Proposed		72.50		72.50
	Dividend Per Preference Share (₹)		5.00		5.00

		As at 31st March 2014		As at 31st March 2013	
		Sales Tax	Entry Tax	Sales Tax	Entry Tax
12.2	Sales Tax/Entry Tax				
	Opening Balance	-	61.40	-	77.41
	Provision during the year	18.49	-	-	-
	Provision Utilised/Paid during the year	-	(47.58)	-	(16.01)
	Closing Balance	18.49	13.82	-	61.40

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

13. TANGIBLE ASSETS :												
OWN ASSETS	GROSS BLOCK - AT COST					DEPRECIATION						NET BLOCK
	As at 1st April 2013	Additions during the year	Deductions during the year	Exchange Difference on Consolidation	Total as at 31st March 2014	Upto 1st April 2013	For the year	Deductions during the year	Adjustments	Exchange Difference on Consolidation	Total upto 31st March 2014	As at 31st March 2014
Land (Leasehold) (Refer Note 13.1 below)	34.76	—	—	—	34.76	4.35	0.43	—	—	—	4.78	29.98
Land (Freehold)	467.93	192.02	—	74.42	734.37	—	—	—	—	—	—	734.37
Buildings	5,831.92	229.58	—	501.89	6,563.39	1,776.76	174.06	—	—	196.55	2,147.37	4,416.02
Plant and Equipment	15,917.44	571.21	183.53	1,002.35	17,307.47	9,019.15	1,224.95	179.09	6.51	585.35	10,656.87	6,650.60
Furniture and Fixtures	426.66	47.16	—	51.93	525.75	337.08	9.68	—	—	47.25	394.01	131.74
Leasehold Improvements	48.91	—	—	—	48.91	1.50	9.03	—	—	—	10.53	38.38
Vehicles	533.35	48.21	89.91	21.49	513.14	313.11	79.82	84.30	—	13.87	322.50	190.64
Office Equipment	314.59	11.89	15.15	40.27	351.60	185.08	17.78	14.38	—	24.25	212.73	138.87
Computers	374.46	26.48	20.08	57.44	438.30	336.23	24.48	20.08	—	54.21	394.84	43.46
Total	23,950.02	1,126.55	308.67	1,749.79	26,517.69	11,973.26	1,540.23	297.85	6.51	921.48	14,143.63	12,374.06

OWN ASSETS	GROSS BLOCK - AT COST					DEPRECIATION						NET BLOCK
	As at 1st April 2012	Additions during 2012-2013	Deductions during 2012-2013	Exchange Difference on Consolidation	Total as at 31st March 2013	Upto 1st April 2012	For 2012-2013	Deductions during 2012-2013	Adjustments	Exchange Difference on Consolidation	Total upto 31st March 2013	As at 31st March 2013
Land (Leasehold) (Refer Note 13.1 below)	34.76	—	—	—	34.76	3.89	0.44	—	—	0.02	4.35	30.41
Land (Freehold)	281.22	184.20	—	2.51	467.93	—	—	—	—	—	—	467.93
Buildings	4,890.95	885.81	—	55.16	5,831.92	1,604.49	148.89	—	2.81	20.57	1,776.76	4,055.16
Plant and Equipment	14,912.02	979.60	185.35	211.17	15,917.44	7,880.96	997.58	48.28	65.40	123.49	9,019.15	6,898.29
Furniture and Fixtures	403.96	16.66	0.43	6.47	426.66	314.50	17.38	—	0.27	4.93	337.08	89.58
Leasehold Improvements	—	48.91	—	—	48.91	—	1.50	—	—	—	1.50	47.41
Vehicles	494.56	72.84	42.14	8.09	533.35	179.65	113.43	42.07	56.08	6.02	313.11	220.24
Office Equipment	226.34	83.82	—	4.43	314.59	167.10	13.87	—	0.03	4.08	185.08	129.51
Computers	350.14	18.00	—	6.32	374.46	308.71	22.39	0.07	0.14	5.06	336.23	38.23
Total	21,593.95	2,289.84	227.92	294.15	23,950.02	10,459.30	1,315.48	90.42	124.73	164.17	11,973.26	11,976.76

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

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 2013	Additions during the year	Deductions during the year	Exchange Difference on Consolidation	Total As at 31st March 2014	Upto 1st April 2013	For the year	Deductions during the year	Adjust- ments	Exchange Difference on Consolidation	Total upto 31st March 2014	As at 31st March 2014
Goodwill (arising on Amalgamation)	503.06	–	–	–	503.06	503.06	–	–	–	–	503.06	–
Goodwill (arising on Acquisition)	1.93	–	–	1.71	3.64	1.93	–	–	–	1.71	3.64	–
Computer Software	41.63	2.35	–	2.51	46.49	36.89	5.45	–	–	2.52	44.86	1.63
Intellectual Property Rights (Technical Know-how) (Refer Note 14.1 below)	243.34	–	–	1.26	244.60	241.06	2.16	–	–	1.03	244.25	0.35
Total	789.96	2.35	–	5.48	797.79	782.94	7.61	–	–	5.26	795.81	1.98

OWN ASSETS (ACQUIRED)	GROSS BLOCK - AT COST					AMORTISATION						NET BLOCK
	As at 1st April 2012	Additions during 2012-2013	Deductions during 2012-2013	Exchange Difference on Consolidation	Total as at 31st March 2013	Upto 1st April 2012	For 2012-2013	Deductions during 2012-2013	Adjust- ments	Exchange Difference on Consolidation	Total upto 31st March 2013	As at 31st March 2013
Goodwill (arising on Amalgamation)	503.06	–	–	–	503.06	503.06	–	–	–	–	503.06	–
Goodwill (arising on Acquisition)	1.84	–	–	0.09	1.93	1.84	–	–	–	0.09	1.93	–
Computer Software	40.80	0.56	–	0.27	41.63	30.27	6.37	–	–	0.25	36.89	4.74
Intellectual Property Rights (Technical Know-how) (Refer Note 14.1 below)	242.71	–	–	0.63	243.34	222.34	18.35	–	–	0.37	241.06	2.28
Total	788.41	0.56	–	0.99	789.96	757.51	24.72	–	–	0.71	782.94	7.02

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 2014	For the year ended 31st March 2013
14.2	Depreciation and Amortisation Expense		
	Depreciation on Tangible Assets	1,540.23	1,315.48
	Amortisation of Intangible Assets	7.61	24.72
	Total	1,547.84	1,340.20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
15.	GOODWILL ON CONSOLIDATION		
	Balance at the beginning of the year	11,054.69	10,939.10
	Add : Movement during the year	2,366.01	115.59
	Closing Balance at the end of the year	13,420.70	11,054.69
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		As at 31st March 2014	As at 31st March 2013
16.	NON-CURRENT INVESTMENTS		
	Unquoted Equity Investments		
	Others		
	- Krosaki IFGL Refractories Private Limited [NIL (31.03.2013 : 2,000) Fully paid Equity Shares of ₹ 10 each]	-	0.20
	Other Investments (Valued at Cost unless stated otherwise)		
	Quoted		
	- Investments in Debentures or Bonds [50 (31.03.2013 : 50) 8.09% Tax Free Bonds of Power Finance Corporation Limited of Face Value ₹ 100,000 each]	50.00	50.00
	Total	50.00	50.20
	Aggregate Amount of Quoted Investments	50.00	50.00
	Aggregate Amount of Unquoted Investments	-	0.20
	Market Value of Quoted Investments	52.24	50.00
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		As at 31st March 2014	As at 31st March 2013
17.	LONG-TERM LOANS AND ADVANCES		
	Unsecured, Considered Good		
	Capital Advances	10.08	10.49
	Security Deposits	117.02	87.79
	Total	127.10	98.28
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		As at 31st March 2014	As at 31st March 2013
18.	OTHER NON-CURRENT ASSETS		
	Long-Term Deposits with Banks with original maturity period of more than 12 months*	16.80	28.00
	Total	16.80	28.00

*Kept under lien by Bank as margin money against non fund based facilities provided.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
19.	INVENTORIES		
	Valued at lower of Cost and Net Realisable Value		
	Raw Materials and Components (includes in transit)	3,700.78	3,561.66
	Work-in-Progress	1,317.47	1,056.53
	Finished Goods (includes in transit)	2,939.06	3,435.70
	Stock of Traded Goods	1,813.02	228.18
	Stores and Spares	569.97	198.38
	Total	10,340.30	8,480.45
		As at 31st March 2014	As at 31st March 2013
20.	TRADE RECEIVABLES		
	Unsecured		
	Outstanding for a period exceeding six months from the date they are due for payment		
	- Considered Good	263.68	232.93
	- Considered Doubtful	206.48	200.22
	Less : Provision for Doubtful Receivables	(206.48) 263.68	(200.22) 232.93
	Other Receivables		
	- Considered Good	16,318.69	14,034.63
	Total	16,582.37	14,267.56
		As at 31st March 2014	As at 31st March 2013
21.	CASH AND CASH EQUIVALENTS		
	Balances with Banks		
	- In Current Accounts	1,366.79	530.40
	- In Deposits Accounts (with original maturity of less than 3 months)	1,501.00	500.00
	Cheques on Hand	73.97	15.03
	Cash on Hand	29.43	23.43
	Other Bank Balances		
	- On Unclaimed Dividend Accounts	54.97	51.59
	- Deposits with original maturity of more than 3 months but less than 12 months*	39.82	12.18
	Total	3,065.98	1,132.63

*Above deposit are kept under lien by the Bank as margin money against non fund based facility provided.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		As at 31st March 2014	As at 31st March 2013
22.	SHORT-TERM LOANS AND ADVANCES :		
	Unsecured, Considered Good		
	Others Loans and Advances		
	- Others (Refer Note 22.1 below)	819.29	325.81
	- Prepaid Expenses	127.19	89.45
	Total	946.48	415.26
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		As at 31st March 2014	As at 31st March 2013
22.1	Loans and Advances-Others		
	Advance to Suppliers	12.86	10.43
	Insurance Claims Receivable	21.54	-
	Advance for Expenses	784.89	315.38
	Total	819.29	325.81
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		As at 31st March 2014	As at 31st March 2013
23.	OTHER CURRENT ASSETS		
	Unsecured, Considered Good		
	Interest Accrued on Fixed Deposits	27.42	17.53
	Accrued Export Benefits	39.22	57.37
	Balances with Excise Authorities etc.	202.23	141.69
	Security Deposits	94.30	68.76
	Total	363.17	285.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

	For the year ended 31st March 2014	For the year ended 31st March 2013
24. REVENUE FROM OPERATIONS		
Revenue from Sale of Products (Gross) :		
Finished Goods	70,498.62	64,214.31
Traded Goods	7,386.54	3,633.75
	77,885.16	67,848.06
Less : Excise Duty	(1,495.05)	(1,692.02)
Revenue from Sale of Products (Net) :	76,390.11	66,156.04
Service Income	1,339.52	902.91
Other Operating Revenue (Scrap Sales)	33.92	59.46
Total	77,763.55	67,118.41
	For the year ended 31st March 2014	For the year ended 31st March 2013
25. OTHER INCOME :		
Interest Income (Refer Note 25.1 below)	128.66	78.32
Liabilities no longer required written back	42.01	75.62
Other Non Operating Income (Net of expenses directly attributable to such Income) (Refer Note 25.2 below)	165.29	299.18
Total	335.96	453.12
	For the year ended 31st March 2014	For the year ended 31st March 2013
25.1 Details of Interest Income		
Interest on Bank Deposits	81.53	54.94
Interest on Customers' Overdue Bills	19.45	23.38
Interest Others	27.68	–
Total	128.66	78.32
No interest was capitalised during the year.		
	For the year ended 31st March 2014	For the year ended 31st March 2013
25.2 Other Non Operating Income		
Bad Debts Recovery	1.48	22.31
Royalty	73.95	66.47
Commission	–	1.92
Sundry Receipts	89.86	208.48
Total	165.29	299.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		For the year ended 31st March 2014		For the year ended 31st March 2013	
26.	COST OF MATERIALS AND COMPONENTS CONSUMED				
	Raw Materials	32,073.29		32,005.76	
	Total	32,073.29		32,005.76	
		For the year ended 31st March 2014		For the year ended 31st March 2013	
27.	DETAILS OF PURCHASES OF TRADED GOODS				
	Shaped Refractories	5,268.11		2,425.32	
	Unshaped Refractories	365.45		289.15	
	Others	1,424.40		396.43	
	Total	7,057.96		3,110.90	
		For the year ended 31st March 2014		For the year ended 31st March 2013	
28.	CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
	Opening Stock				
	Finished Goods and Traded Goods	3,663.87		3,623.68	
	Work-in-Progress	1,056.53		1,206.74	
	Less : Closing Stock				
	Finished Goods and Traded Goods	4,752.08		3,663.87	
	Work-in-Progress	1,317.47		1,056.53	
	Total	(1,349.15)		110.02	
		For the year ended 31st March 2014		For the year ended 31st March 2013	
29.	EMPLOYEE BENEFITS EXPENSE :				
	Salaries, Wages and Bonus	9,619.61		8,509.17	
	Contribution to Funds (Refer Note 29.1 below)	773.54		699.54	
	Staff Welfare Expenses	574.50		657.43	
	Total	10,967.65		9,866.14	

29.1 Provident Fund (Funded)

Provident Fund contributions in respect of employees of the Company are made to Trust administered by the Company 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 ₹ 19.76 (31.03.2013 : ₹ Nil) has been actuarially determined by an independent actuary and provided for.

The Company has recognised in the Statement of Profit and Loss for the year ended 31st March 2014 an amount of ₹ 275.34 (31.03.2013 : ₹ 218.76) as expenses under Defined Contribution Plans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

29.2 Gratuity (Funded)

The Company provides for gratuity, a Defined Benefit Retirement Plan covering eligible employees. As per the Scheme, 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, 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, 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 2014.

29.3 Superannuation (Funded)

In keeping with the Company's Superannuation Scheme (applicable to employees joined before 31st March 2004), 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.

29.4 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.

29.5 Plans at Subsidiaries

With regard to Subsidiaries, including Step down Subsidiaries, they 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)

29.6 Following are further particulars with respect to Defined Benefit Plans of the Group for the year ended 31st March 2014 :

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)		Step down Subsidiary Benefit Scheme (Funded)	
	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013
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	520.12	423.28	223.25	206.07	18.37	16.67	2,235.76	1,962.37
Service Cost	33.80	28.25	–	–	3.08	2.12	–	–
Interest Cost	41.33	36.15	17.84	17.57	1.46	1.29	112.33	96.82
Actuarial (Gains)/Losses	(18.20)	38.31	(14.01)	3.07	(3.45)	1.58	(116.17)	261.32
(Benefits Paid)	(6.91)	(5.87)	(0.51)	(3.46)	(0.25)	(3.29)	–	(99.39)
Exchange Differences on Foreign Plans	–	–	–	–	–	–	478.60	14.64
Present Value of Obligation as at the end of the year	570.14	520.12	226.57	223.25	19.21	18.37	2,710.52	2,235.76
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	476.70	410.19	458.77	420.42	–	–	2,429.57	2,542.37
Expected Return on Plan Assets	42.12	35.18	37.60	34.33	–	–	112.33	96.82
Actuarial Gains/(Losses)	(3.70)	4.11	1.61	7.48	–	–	(95.05)	(147.37)
Contribution by the Company	68.42	33.09	–	–	0.25	3.29	–	–
(Benefits Paid)	(6.91)	(5.87)	(0.51)	(3.46)	(0.25)	(3.29)	–	(99.39)
Exchange Differences on Foreign Plans	–	–	–	–	–	–	521.01	37.14
Fair Value of Plan Assets at the end of the year	576.63	476.70	497.47	458.77	–	–	2,967.86	2,429.57
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	576.63	476.70	497.47	458.77	–	–	2,967.86	2,429.57
Present Value of Obligation at the end of the year	570.14	520.12	226.57	223.25	19.21	18.37	2,710.52	2,235.76
Assets/(Liabilities) recognised in the Balance Sheet	6.49	(43.42)	270.90	235.52	(19.21)	(18.37)	257.34	193.81

Actual amount of Asset in the Balance Sheet Nil (Previous Year Nil)

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 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013
d) Expense recognised in the Profit and Loss Statement :								
Current Service Cost	33.80	28.25	-	-	3.08	2.12	-	-
Interest Cost	41.33	36.15	17.84	17.57	1.46	1.29	112.33	96.82
(Expected Return of Plan Assets)	(42.12)	(35.18)	(37.60)	(34.33)	-	-	(112.33)	(96.82)
Actuarial (Gain)/Loss	(14.50)	34.20	(15.62)	(4.41)	(3.45)	1.58	(21.12)	408.69
Non Recoverable assets written off	-	-	-	-	-	-	21.12	(408.69)
Total Expense as per the Actuarial Valuation	18.51	63.42	(35.38)	(21.17)	1.09	4.99	-	-
Actual Expenses Recognised	**18.51	**63.42	-	-	*1.09	*3.98	-	-

*The Expenses for the above benefit are recognised under 'Salary, Wages and Bonus' on Note 29.

**The Expenses for the above benefit are recognised under 'Contribution to Funds' on Note 29.

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)		Step down Subsidiary Benefit Scheme (Funded)	
	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2014	For the year ended 31st March 2013
	%	%	%	%	%	%	%	%
e) Category of Plan Assets :								
GOI Securities	5	6	4	5	NA	NA	-	-
Bonds	2	3	3	7	NA	NA	-	-
State Government/State Government Guaranteed Securities	-	-	2	2	NA	NA	-	-
Units of Insurers	92	89	86	80	NA	NA	-	-
Others (including Bank Balances)	1	2	5	6	NA	NA	-	-
Scottish Mutual with Profit Deferred Annuity	-	-	-	-	NA	NA	100	100
	100	100	100	100	NA	NA	100	100
f) Principal Actuarial Assumptions :								
Discount Rate (per annum) (%)	9.30	8.00	9.30	8.00	9.30	8.00	4.50	4.30
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA	6.00	6.00	NA	NA
Expected Rate of Return on Plan Assets (%)	8.30	8.30	8.20	8.20	NA	NA	4.30	4.80
Remaining Working Life (in years)	17.71	18.01	11.84	12.80	14.53	15.44	3.30	3.35
Revaluation in Deferment (price inflation with a maximum of 5% p.a)	NA	NA	NA	NA	NA	NA	3.40	3.35
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (Modified) ultimate	L.I.C. 1994-1996 ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) ultimate	L.I.C. 1994-1996 ultimate	Indian Assured Lives Mortality (2006-2008) (Modified) ultimate	L.I.C. 1994-1996 ultimate	@	
Method used	Projected Unit Credit Method						Discounted Income Approach	
Actual Return on Plan Assets	38.42	39.29	39.21	41.81	NA	NA	NA	NA
@ The mortality assumptions adopted at 31st March 2014 imply the following future life expectancies :								
Male Currently age 65							23.50	23.40
Female Currently age 65							26.00	25.90

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

g) Other Disclosures :
Gratuity Scheme :

Experience History	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2010
Defined Benefit Obligation at end of the period	(570.14)	(520.12)	(423.28)	(372.92)	(308.48)
Plan Assets at end of the period	576.63	476.70	410.19	339.77	305.64
Funded Status	6.49	(43.42)	(13.09)	(33.15)	(2.84)
Experience Gain/(Loss) adjustments on Plan Liabilities	(26.05)	(18.73)	(20.39)	(33.41)	(52.19)
Experience Gain/(Loss) adjustments on Plan Assets	(3.70)	4.11	(4.83)	2.51	23.90
Actuarial Gain/(Loss) due to change on assumptions	44.25	(19.58)	18.00	—	(24.85)

Superannuation Scheme :

Experience History	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2010
Defined Benefit Obligation at end of the period	(226.57)	(223.25)	(206.07)	(205.57)	(194.98)
Plan Assets at end of the period	497.47	458.77	420.42	398.28	372.33
Funded Status	270.90	235.52	214.35	192.71	177.35
Experience Gain/(Loss) adjustments on Plan Liabilities	3.09	2.64	5.46	4.50	0.67
Experience Gain/(Loss) adjustments on Plan Assets	1.61	7.48	(6.26)	(4.07)	19.94
Actuarial Gain/(Loss) due to change on assumptions	10.92	(5.71)	6.23	—	—

Compensated Absence (Unfunded) :

Experience History	For the year ended 31st March 2014	For the year ended 31st March 2013	For the year ended 31st March 2012	For the year ended 31st March 2011	For the year ended 31st March 2010
Defined Benefit Obligation at end of the period	(19.21)	(18.37)	(16.67)	(18.17)	(13.66)
Plan Assets at end of the period	—	—	—	—	—
Funded Status	(19.21)	(18.37)	(16.67)	(18.17)	(13.66)
Experience Gain/(Loss) adjustments on Plan Liabilities	1.47	(0.72)	3.64	(2.18)	0.67
Experience Gain/(Loss) adjustments on Plan Assets	—	—	—	—	—
Actuarial Gain/(Loss) due to change on assumptions	1.98	(0.86)	0.88	—	(1.24)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

		For the year ended 31st March 2014	For the year ended 31st March 2013
30.	FINANCE COSTS		
	Interest	653.51	787.84
	Other Borrowing Cost	40.97	7.48
	Total	694.48	795.32
<hr/>			
		For the year ended 31st March 2014	For the year ended 31st March 2013
31.	OTHER EXPENSES :		
	Consumption of Stores and Spare Parts	1,456.31	1,272.56
	Power and Fuel	2,509.78	2,455.55
	Rent	496.48	570.69
	Rates and Taxes	229.88	176.68
	Repairs :		
	- Machinery	521.87	462.07
	- Buildings	76.36	49.42
	- Others	352.79	263.14
	Insurance	262.42	236.42
	Payment to Auditors	73.48	71.41
	Directors' Fees	6.75	6.00
	Provision for Doubtful Trade Receivables/Advances	41.08	207.02
	Sundry Debit Balances/Advances written off	91.72	337.84
	Travelling and Conveyance	1,229.46	1,166.92
	Site Contractor Expenses	638.81	703.42
	Processing Charges	380.26	385.98
	Professional Charges	715.22	656.15
	Postage, Telephone, Telex etc.	218.56	202.74
	Royalty	174.64	125.93
	Service Charges	303.20	332.32
	Commission and Brokerage	1,365.22	1,139.43
	Packing Expenses	2,440.63	2,328.34
	Delivery and Forwarding Expenses	2,560.82	2,216.08
	Net Loss/(Gain) on Foreign Exchange Rate Fluctuation and Translation (Refer Note 31.1 below)	740.40	(105.71)
	Miscellaneous Expenses	1,164.26	951.02
	Total	18,050.40	16,211.42

31.1 Net Loss of ₹ 740.40 (31.03.2013 : Gain of ₹ 105.71) includes Provision for 'Mark to Market' losses on derivatives of ₹ 116.35 (31.03.2013 : Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

		(₹ in lacs)	
		For the year ended 31st March 2014	For the year ended 31st March 2013
32.	EARNINGS PER SHARE (EPS) – THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED EPS		
	Profit after Tax and Minority Interest	6,401.02	2,821.17
	Less : Dividend on Preference Shares	72.50	72.50
	Tax on Dividend on Preference Shares	12.33	12.33
	Profit after Tax attributable to the Equity Shareholders (A)	6,316.19	2,736.34
	Weighted Average number of Equity Shares (in numbers) (B)	34,610,472	34,610,472
	Nominal Value of Equity Shares (in ₹)	10.00	10.00
	Dilutive potential Equity Shares	–	–
	Basic/Diluted EPS (A/B)	18.25	7.91
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		As at 31st March 2014	As at 31st March 2013
33.	CONTINGENT LIABILITIES		
	a) Claims against the Company not acknowledged as debts :		
	i) Sales Tax matter under dispute relating to issues of applicability and classification [related payments ₹ 10.30 (31.03.2013: ₹ 5.49)]	92.08	49.54
	ii) Income Tax matters under dispute relating to issues of applicability and determination	15.88	18.25
	iii) Service Tax matters under dispute relating to issues of applicability and classification	6.57	4.91
	iv) Custom Duty matters under dispute relating to issues of applicability and classification [related payments ₹ 12.50 (31.03.2013 : ₹ Nil)]	140.65	–
	b) Claims against the Subsidiaries not acknowledged as debts	30.61	27.39
<hr/>			
34. CAPITAL AND OTHER COMMITMENTS :			
		For the year ended 31st March 2014	For the year ended 31st March 2013
34.1	Capital Commitments		
	Estimated value of contracts on capital account remaining to be executed (Net of Advances) and not provided for	17.25	8.05
	Total	17.25	8.05

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

35. RELATED PARTY DISCLOSURES :

Related Party Disclosures in keeping with Accounting Standard-18 prescribed under 'the 1956 Act'.

List of Related Parties

Where Control exists	
Holding Company	Bajoria Holdings Private Limited
Fellow Subsidiaries	Heritage Health TPA Private Limited Bajoria Financial Services Private Limited IFGL Bio Ceramics Limited Ganges Art Gallery Private Limited Bajoria Enterprises Limited Bajoria Service Providers Private Limited
Others : Key Management Personnel	S K Bajoria (Chairman) P Bajoria (Managing Director)
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 Coris Heritage Asia Pacific Private Limited

Particulars of Transactions during the year and year end balances	As at 31st March 2014	As at 31st March 2013
I) With Holding Company : Bajoria Holdings Private Limited		
Rent for Office Premises	9.03	8.67
Maintenance Charges	10.89	10.89
Expenses Reimbursement/Incurred	19.43	13.24
Expenses Recovered/Received	–	0.10
	39.35	32.90
Year end Balances		
Trade Payable	0.75	0.78
Minority Interest	180.73	121.65
	181.48	122.43
II) With Fellow Subsidiaries		
Sale of Finished Goods		
IFGL Bio Ceramics Limited	33.86	33.36
	33.86	33.86
Sale of Services		
IFGL Bio Ceramics Limited	19.52	–
	19.52	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Particulars of Transactions during the year and year end balances	(₹ in lacs)	
	As at 31st March 2014	As at 31st March 2013
Expenses Reimbursement/Incurred		
Bajoria Enterprises Limited	12.00	–
	12.00	–
Expenses Recovered/Received		
Heritage Health TPA Private Limited	–	6.00
IFGL Bio Ceramics Limited	0.04	0.43
	0.04	6.43
Year end Balances		
Trade Payable		
IFGL Bio Ceramics Limited	–	3.92
	–	3.92
Trade Receivables		
IFGL Bio Ceramics Limited	–	1.99
	–	1.99
Minority Interest		
Bajoria Enterprises Limited	0.30	0.25
	0.30	0.25
III) With Key Management Personnel		
Director's Remuneration		
S K Bajoria (Chairman)	137.75	126.39
P Bajoria (Managing Director)	160.42	143.52
	298.17	269.91
Director's Commission		
S K Bajoria (Chairman)	40.00	17.13
P Bajoria (Managing Director)	40.00	–
	80.00	17.13
Year end Balances		
Minority Interest		
S K Bajoria (Chairman)	791.56	648.90
P Bajoria (Managing Director)	0.30	0.25
	791.86	649.15
Director's Commission		
S K Bajoria (Chairman)	53.28	17.13
P Bajoria (Managing Director)	39.66	–
	92.94	17.13
IV) With Relative of Key Management Personnel		
Sale of Investments		
Smita Bajoria	0.17	–
	0.17	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

Particulars of Transactions during the year and year end balances	As at 31st March 2014	As at 31st March 2013
Remuneration		
Mihir Bajoria	51.75	38.74
Akshay Bajoria	3.09	3.02
	54.84	41.76
Year end Balances		
Trade Payables		
Smita Bajoria	0.30	-
Mihir Bajoria	0.30	0.25
	0.60	0.25
V) With Enterprise in which a Key Management Personnel has significant influence		
Expenses Recovered/Received		
Heritage Insurance Brokers Private Limited	0.70	0.88
	0.70	0.88
Year end Balances		
Trade Receivables		
Heritage Insurance Brokers Private Limited	0.02	-
	0.02	-
Loans and Advances		
Heritage Insurance Brokers Private Limited	-	0.03
	-	0.03

36. 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-imbusement of maintenance charges, terms of cancellation etc. The future minimum lease commitments of the Company are as follows :

	As at 31st March 2014	As at 31st March 2013
Within 1 Year	355.29	354.51
More than 1 Year upto 5 Years	437.67	483.52
More than 5 Year upto 15 Years	219.45	274.99
Total	1,012.41	1,113.02

Lease Rentals recognised in Note 31 of the Statement of Profit and Loss amount to ₹ 441.96 (31.03.2013 : ₹ 433.99).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

37. SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH 2014 IN ACCORDANCE WITH AS-17 PRESCRIBED UNDER THE 1956 ACT
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 Americas (USA and Brazil).

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	Americas	Total of Reportable Segments
External Sales (Net of Excise Duty)	33,477.88	27,194.50	1,212.22	15,878.95	77,763.55
	30,111.02	21,504.81	741.90	14,760.68	67,118.41
Inter Segment Sales	3,264.77	899.77	5,986.20	82.61	10,233.35
	1,404.22	723.86	5,711.13	56.08	7,895.29
Segment Revenues	36,742.65	28,094.27	7,198.42	15,961.56	87,996.90
	31,515.24	22,228.67	6,453.03	14,816.76	75,013.70
Segment Result	4,633.97	2,755.39	327.84	1,739.66	9,456.86
	2,617.09	1,452.48	337.79	965.24	5,372.60
Segment Assets	24,210.75	13,254.73	2,575.20	7,162.61	47,203.29
	22,169.23	8,497.14	2,568.52	6,137.62	39,372.51
Segment Liabilities	4,531.38	5,446.13	1,135.92	1,780.38	12,893.81
	4,498.30	3,600.97	1,129.46	1,495.97	10,724.70
Capital Expenditure (Net)	402.29	517.05	31.63	177.93	1,128.90
	1,206.93	91.35	13.88	978.24	2,290.40
Depreciation	1,042.32	170.48	121.42	213.62	1,547.84
	873.28	141.64	114.84	210.44	1,340.20
Non cash expenses other than depreciation	85.32	37.16	–	10.32	132.80
	78.34	11.83	3.34	187.45	280.96

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

(₹ in lacs)

IV) Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Net Profit	Assets	Liabilites @
Total of Reportable Segments	87,996.90	9,456.86	47,203.29	12,893.81
	75,013.70	5,372.60	39,372.51	10,724.70
Corporate-Unallocated (Net/Adjustments)	335.96	294.66	10,164.87	10,626.59
	453.12	(445.51)	8,627.30	11,939.73
Inter Segment Sales	(10,233.35)	-	-	-
	(7,895.29)	-	-	-
Interest (Net)	-	(694.48)	-	-
	-	(795.32)	-	-
Provision for Taxation				
- Current	-	(2,576.58)	-	-
	-	(1,428.69)	-	-
- Deferred	-	96.24	-	-
	-	(166.04)	-	-
As per Financial Statements	78,099.51	6,576.70	57,368.16	23,520.40
	67,571.53	@@2,537.04	47,999.81	22,664.43

@ 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	15,031.45
	16,484.55
United Kingdom	10,067.59
	6,594.59
Europe other than United Kingdom	29,413.00
	19,874.49
Asia excluding India	5,449.41
	5,424.82
Americas	17,578.92
	16,659.33
Others	222.70
	2,080.66
Total Sales	77,763.55
	67,118.41

Figures in Bold type relate to current year.

38. PREVIOUS YEAR FIGURES

Previous Year's figures have been re-grouped/re-classified wherever necessary to conform with the current year's classification.

Signatures to Note '1' to '38'

On behalf of the Board of Directors

R Agarwal
 Company Secretary

P Bajoria
 Managing Director

S K Bajoria
 Chairman



Refractories Limited

CIN : L27202OR1989PLC002971

Head & Corporate Office :

3, Netaji Subhas Road, Kolkata 700 001, India

Phone : +91 33 40106100, Fax : +91 33 22430886, Email : ifgl.ho@ifgl.in

Registered Office & Works :

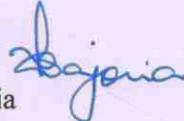
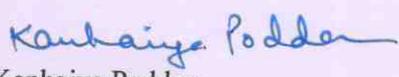
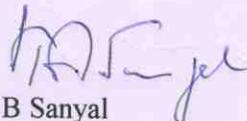
Sector 'B' Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha, India

Phone : +91 661 2660195/583/584, Fax : +91 661 2660173, E-mail : ifgl.works@ifgl.in

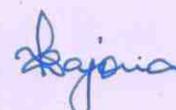
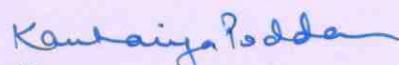
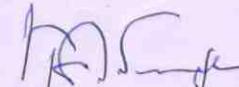
www.ifglref.com

www.bajoria.in

FORM A

1.	Name of the Company	IFGL Refractories Limited
2.	Annual Standalone financial statements for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	To be signed by-	
	<ul style="list-style-type: none">• Managing Director	<input checked="" type="checkbox"/>  P Bajoria
	<ul style="list-style-type: none">• CFO	<input checked="" type="checkbox"/>  Kanhaiya Poddar
	<ul style="list-style-type: none">• Audit Committee Chairman	<input checked="" type="checkbox"/>  K S B Sanyal
	<ul style="list-style-type: none">• Auditor of the company	
	In terms of our report attached on the standalone financial statements of the Company	
	For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 302009E)	
	 (A. Bhattacharya) (Partner) (Membership No. 054110)	
	KOLKATA, 10 th May, 2014	

FORM A

1.	Name of the Company	IFGL Refractories Limited
2.	Annual Consolidated financial statements for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	<p>To be signed by-</p> <ul style="list-style-type: none"> • Managing Director • CFO • Audit Committee Chairman • Auditor of the company <p>In terms of our report attached on the consolidated financial statements of the Company</p> <p>For DELOITTE HASKINS & SELLS Chartered Accountants (Firm Registration No. 302009E)</p>  <p>(A. Bhattacharya) (Partner) (Membership No. 054110) KOLKATA, 10th May, 2014</p>	<p align="center">  P Bajoria </p> <p align="center">  K Poddar </p> <p align="center">  K S B Sanyal </p>