



IFGL REFRACTORIES LIMITED

Head & Corporate Office :

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

24th June, 2019

National Stock Exchange of India Ltd
'Exchange Plaza', C-1, Block – G
Bandra – Kurla Complex
Bandra (E), Mumbai 400 051
CODE: IFGLEXPOR

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
CODE: 540774

Dear Sirs,

Re: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please find attached soft copy of Company's Annual Report for the Financial Year 2018-19 along with Notice relating to 12th Annual General Meeting of the Shareholders to be held on Saturday, 27th July, 2019 at 11 AM at Registered Office situated at Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha.

Thanking you,

Yours faithfully,
For IFGL Refractories Ltd.

(R Agarwal)
Company Secretary



(Formerly known as IFGL Exports Limited)

Corporate Identification Number (CIN) : L51909OR2007PLC027954

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, investorcomplaints@ifgl.in

Head & Corporate Office : McLeod House
3, Netaji Subhas Road, Kolkata 700 001
Tel : +91 33 40106100 Fax : +91 33 22430886
E-mail : ifgl.ho@ifgl.in

Website : www.ifglref.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 12th Annual General Meeting (AGM) of the Shareholders of IFGL Refractories Limited (formerly known as IFGL Exports Limited) will be held on Saturday, 27th July 2019 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 both Standalone and Consolidated Audited Financial Statements of the Company for year ended on 31st March 2019, Reports of the Board of Directors and Auditors thereon.
2. To approve payment of Final Dividend of 25% i.e. ₹ 2.50 per Equity Share recommended by the Board of Directors on Saturday, 11th May 2019 for Financial Year 2018-2019.
3. To consider and if thought fit and desirable, to pass with or without modification(s), resolution under Section 152 and other applicable provision of the Companies Act, 2013 for re-appointment of Mr Pradeep Bajoria (DIN : 00084031), to the extent he is required to retire by rotation at ensuing Annual General Meeting and who being eligible, has offered himself for re-appointment for further period liable to retire by rotation and such re-appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the Company.
4. To consider and if thought fit and desirable, to pass with or without modification(s), resolution under Section 152 and other applicable provision of the Companies Act, 2013 for re-appointment of Mr Kamal Sarda (DIN : 03151258), to the extent he is required to retire by rotation at ensuing Annual General Meeting and who being eligible, has offered himself for re-appointment for further period liable to retire by rotation and such re-appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the Company.
5. 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 S. R. Batliboi & Co LLP, Chartered Accountants, Firm Registration No. 301003E/E300005, be and are hereby appointed as Statutory Auditors of the Company for a term of five years from Financial Year 2019-2020 to hold office immediately after conclusion of this 12th Annual General Meeting until conclusion of 17th 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, following provisions of Section 139 of the Companies Act 2013 (the Act)."

Special Business

6. To consider and if thought fit, to pass with or without modification(s), 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 and Regulation 17(6)(e) of SEBI LODR, 2015, for the time being in force, remuneration including perquisites of Chairman, Mr Shishir Kumar Bajoria (DIN : 00084004), of the Company for the year ending on 31st March 2020, approved at Annual General Meeting of the Shareholders held on Saturday, 23rd December 2017 by passing a Special Resolution, brief particulars whereof are given in the Explanatory Statement appearing hereinafter and more fully stated in the Agreement executed on 28th August 2017 between Mr Bajoria and the Company, based on the recommendation of Nomination and Remuneration Committee and Board of Directors of the Company, be and is hereby approved to be the "minimum remuneration" of Mr Bajoria in the event of loss or inadequate profit for said financial year notwithstanding that the same exceed limits specified in Schedule V of the Act and that managerial remuneration paid/payable for said financial year exceed individual limit of 5% and overall limit of 10% of eligible Net Profit specified at Section 197 read with Section I of Part II of said Schedule V of the Act, subject to such approvals as may be required.
Resolved further that the Board of Directors 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."
7. To consider and if thought fit, to pass with or without modification(s), 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 and Regulation 17(6)(e) of SEBI LODR, 2015, for the time being in force, remuneration including perquisites of Managing Director, Mr Pradeep Bajoria (DIN : 00084031), of the Company for the year ending on 31st March 2020, approved at Annual General Meeting of the Shareholders held on Saturday, 23rd December 2017 by passing a Special Resolution, brief particulars whereof are given in the Explanatory Statement appearing hereinafter and more fully stated in the Agreement executed on 28th August 2017 between Mr Bajoria and the Company, based on the recommendation of Nomination and Remuneration Committee and Board

of Directors of the Company, be and is hereby approved to be the "minimum remuneration" of Mr Bajoria in the event of loss or inadequate profit for said financial year notwithstanding that the same exceed limits specified in Schedule V of the Act and that managerial remuneration paid/payable for said financial year exceed individual limit of 5% and overall limit of 10% of eligible Net Profit specified at Section 197 read with Section I of Part II of said Schedule V of the Act, subject to such approvals as may be required.

Resolved further that the Board of Directors 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."

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

"Resolved that authority is hereby delegated to the Board of Directors of the Company to enter into transactions, including those repetitive in nature and in ordinary course of business at arms length, with related parties following provisions of Section 188 of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, also those in SEBI (LODR) Regulations, 2015 and in connection therewith, the Board may take such steps as may be necessary for and on behalf of the Company."

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

"Resolved that pursuant to provisions of Section 148 of the Companies Act, 2013 (the Act) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions and subject to necessary approvals, if any, remuneration, not exceeding ₹ 300,000/- only, excluding 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 2019-2020, 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 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."

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

Kolkata
11th May 2019

IMPORTANT NOTES:

- 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 fifty (50) 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 & Corporate Office of the Company not less than forty eight (48) hours before the commencement of the AGM.**
- The business set out in the Notice will be transacted through remote electronic voting (e-voting) system and the Company is providing facility for voting by remote electronic means. Instructions and other information relating to remote e-voting are given in the Notice under Note No. 28.
Members attending the AGM, who have not cast their vote by remote e-voting, shall be able to exercise their right to vote at the AGM through ballot papers.
- Corporate Members intending to send their authorised representatives to attend the AGM 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 AGM.
- An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act), relating to Business at Serial Nos. 5 to 9 to be transacted at the AGM is annexed hereto.
- Members/Proxies/Authorised Representatives are requested to bring their Attendance Slip along with their copy of Annual Report to the AGM.
- In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
- Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members both at the Registered Office and Head & Corporate Office of the Company on all working days, except Saturdays, during business hours upto the date of the AGM.
- Members holding shares in Electronic Form are hereby informed that Bank particulars registered against their respective Demat Accounts are used by the Company for payment of Dividend. Hence members are requested to intimate 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 or the Registrar and Share Transfer Agent.
- Section 88 of the Act read with Rules framed thereunder provide for maintenance of Members Register having details like e-mail ID, Income Tax Permanent Account Number (PAN), Unique Identification Number, Corporate Identity Number, Father's/Mother's/Spouse's Name, Status, Occupation and Nationality etc.** 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.
- Electronic copy of the Annual Report for Financial Year (FY) 2018-2019 together with a copy of the Notice of the 12th AGM of the Company inter-alia stating the process and manner of remote e-voting 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 ID, physical copies of the Annual Report for FY 2018-2019 and other documents are being sent in the permitted mode.

11. Members may note that Annual Report for FY 2018-2019 and Notice of the 12th AGM is also available on the Company's website www.ifglref.com for download. Physical copy is also available both at the Company's Registered Office in Odisha and Head & Corporate Office at Kolkata for inspection during normal business hours on all working days, except Saturdays upto date of the AGM. 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.
12. Brief Resume of Directors proposed to be re-appointed having details such as 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 required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) is annexed hereto. The Directors have furnished requisite declarations for their re-appointment.
13. Saturday, 20th July 2019 has been fixed as 'Cut off Date' for determining Shareholders entitled to facility of voting by remote e-voting as well as by ballot at said AGM following Regulation 44 of the SEBI LODR, 2015.
14. The Register of Members and Share Transfer Register of the Company will remain closed from Monday, 22nd July 2019 to Saturday, 27th July 2019, both days inclusive, in connection with ensuing AGM and dividends proposed to be declared thereat.
15. If dividend on Equity Shares, as recommended by the Board of Directors, is declared at ensuing AGM, payment will be made on or after Thursday, 1st August 2019 to those Shareholders whose names shall appear on the Company's Register of Members .
 - i) as Beneficial Owners as at end of business hours of Cut off Date 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 the Cut off Date.
16. Regulation 12 and Schedule I of SEBI LODR, 2015 require all Companies to use the facilities of Electronic Clearing Services for payment of Dividend. Notices have been sent to Shareholders to update their Bank Mandates and Income Tax PAN. In compliance with these Regulations and SEBI circulars, payment of Dividend will be made only by electronic mode directly into the Bank Accounts of members and no Dividend Warrants will be issued without Bank particulars. You are requested to submit your Bank details along with original cancelled cheque to our Registrar and Share Transfer Agent, M/s Maheshwati Datamatics Private Limited to enable them to update our records, in case you hold shares in Physical Form and to your Depository Participant in respect of shares held in Dematerialised Form.
17. The Company has not declared Dividend except for FY 2016-2017 and FY 2017-2018 on 23rd December 2017 and 25th August 2018, unclaimed/unpaid amount whereof will fall due for transfer to Investor Education and Protection Fund (IEPF) in February 2025 and October 2025 respectively.

The Company has on 12th October 2018, transferred unclaimed/unpaid dividend declared for payment by erstwhile IFGL Refractories Limited (Transferor Company), since merged with the Company, for FY 2010-2011 to IEPF following provisions of Section 124(5) of the Act read with Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). Details of such unclaimed/unpaid dividend transferred have been hosted on Company's website www.ifglref.com and claims in respect thereof may be lodged online in www.iepf.gov.in following requisite procedures.

Going forward, unclaimed/unpaid of dividends declared by the Transferor Company will fall due for transfer to IEPF, details whereof are appearing in Corporate Governance Report forming part of Directors' Report. Particulars of persons entitled to said unpaid/unclaimed dividends is appearing on Company's website www.ifglref.com and claims in respect thereof either be sent to the Company or its Registrar and Share Transfer Agent. Unclaimed/unpaid dividend declared by the Transferor Company for FY 2011-2012 will fall due for transfer to IEPF in October 2019.
18. Equity Shares of the Company are available for dematerialisation both with NSDL and CDSL. ISIN is INE133Y01011.
19. Members holding shares in Physical Form are requested to notify/send following to the Registrar 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.
20. Letters have been sent to Members holding shares in physical form informing them that as per Regulation 40 of SEBI LODR, 2015, shares will be transferred only in dematerialised form with effect from 1st April 2019. Going forward, Company will not give effect to transfer of shares lodged in physical form except in cases involving transmission or transposition and where transfer documents were lodged prior to 1st April 2019 and could not be given effect to due to deficiencies therein.
21. Members are requested to quote Folio No. or Client ID and DP ID Nos. in all communications with the Company.
22. Equity Shares of the Company are listed both on the BSE Limited (Code : 540774) and National Stock Exchange of India Limited (Code : IFGLEXPOR) and regularly traded thereon.
23. Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal, Kolkata Bench by passing an Order on 3rd August 2017, the Company has issued and allotted on 18th September 2017, one Equity Share of ₹ 10/- fully paid up for one Equity Share of ₹ 10/- fully paid up held in Transferor Company on the record date, 15th September 2017. Equity Shares issued have either been credited to Demat Accounts of members entitled thereto or they have been issued certificate for their entitlement of Equity Shares. Queries if any relating to aforesaid of the members may either be sent to the Company investorcomplaints@ifgl.in or its Registrar and Share Transfer Agent mdpldc@yahoo.com.

24. The Securities and Exchange Board of India (SEBI) has mandated submission of 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 or its Registrar and Share Transfer Agent.
25. 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'.
26. Following provisions of Section 124(6) of the Act read with Rule 6 of IEPF Rules, the Company has on 23rd October 2018 and 25th October 2018 transferred 42,017 Equity Shares of ₹ 10/- each fully paid up of the Company of 345 holders thereof to Demat Account of IEPF Authority. Relevant particulars of Equity Shares transferred have been hosted on Company's website www.ifglref.com. Procedure for re-claiming said Equity Shares from the IEPF Authority has also been hosted on Company's website. Shares with respect to which Dividend declared by Transferor Company for seven consecutive financial years including FY 2011-2012 remain unpaid or unclaimed, will fall due for transfer to IEPF in October 2019.
27. The route map showing directions to reach the venue of 12th AGM is annexed hereto.
28. **Voting through electronic means :**

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI LODR, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 12th AGM by electronic means and the business mentioned in Notice relating thereto may be transacted through the e-voting services provided by National Securities Depository Limited (NSDL). It is clarified that it is not mandatory for a member to vote using e-facility and a member may avail of said facility at his/her discretion following the procedure below.

Your DP ID/Client ID/Folio No. has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company on e-voting system.

The instructions for E-voting are as follows :

Step 1 : Login to NSDL's e-voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-voting system.

Details on Step 1 is mentioned below :

How to Login to the NSDL e-voting website?

1. Visit the e-voting website of NSDL by opening your web browser and typing the following URL either on a desktop computer/laptop or on a mobile : <https://www.evoting.nsdl.com/>
2. Once the homepage of the e-voting system is launched, click on the icon, 'Login', which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, If you are registered for NSDL e-services i.e. IDeAS, you can login at <https://eservices.nsdl.com/> with your existing IDeAS Login details. Once you Login to NSDL e-services using your Login credentials, click on 'e-voting' and proceed to Step 2, i.e. cast your vote electronically.
4. Your User ID details are given below :

Manner of holding Shares, i.e. Demat (NSDL or CDSL) or Physical	Your User ID is :
a) For members who hold Shares in demat account with NSDL	8 character DP ID followed by 8 digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
b) For members who hold Shares in demat account with CDSL	16 digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****
c) For members holding Shares in physical form.	EVEN, followed by Folio Number registered with the Company For example, if your EVEN is 101456 and Folio Number is 001*** then your User ID is 101456001***

5. Your password details are given below :
 - a. If you are already registered for e-voting, then you can use your existing password to Login and cast your vote.
 - b. If you are using the NSDL e-voting system for the first time, you will need to use the 'initial password' which was communicated to you. You need to enter the 'initial password' and change your password, as prompted by the system.
 - c. How to retrieve your 'initial password'.
 - i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you by NSDL from your mailbox. Open the e-mail and open the attachment (it will be a pdf file). Open the file. The password to open the file is your 8 digit client ID for your NSDL account or the last 8 digits of your CDSL client ID or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii) If your e-mail ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you have not received the 'initial password' or are unable to retrieve it or have forgotten your password :
 - a. Holding shares in demat accounts with NSDL or CDSL : Click on the 'Forgot User Details/Password?' option available on <https://www.evoting.nsdl.com/>
 - b. Holding shares in physical mode : 'Physical User Reset Password?' option is also available on <https://www.evoting.nsdl.com/>
 - c. If you are still unable to get your password following the aforesaid options, you can send a request to evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, agree to the terms and conditions by checking the box.
8. Next, click on the 'Login' button.
9. After you click on the 'Login' button, the homepage of e-voting will open.

Details on Step 2 is mentioned below :

How to cast your vote electronically on the NSDL e-voting system?

1. After successfully Login in following Step 1, you will be able to see the e-voting homepage. Click on 'e-voting'. Then, click on 'Active Voting Cycles'.
2. Upon clicking on 'Active Voting Cycles', you will be able to see the 'EVEN' of all the companies in which you hold shares and whose voting cycles are in 'active' status.
3. Select the 'EVEN' of the Company for which you wish to cast your vote.
4. Now you are on the voting page and ready for e-voting.
5. Cast your vote by selecting appropriate options, i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on 'Submit'. Also click on 'Confirm' when prompted.
6. Upon confirmation, the message, 'Vote cast successfully' will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Please remember that you are not allowed to modify your vote once you confirm your vote on a resolution.

General instructions/information for Members for voting on the Resolutions :

- a) The voting period begins on Wednesday, 24th July 2019 (9.00 AM) and ends on Friday, 26th July 2019 (5.00 PM). During this period Shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on Saturday, 20th July 2019 ("Cut-off Date") may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- b) Facility of voting through ballot paper shall also be made available at the AGM. Members attending the AGM, who have not already cast their vote by remote e-voting, shall be able to exercise their right at the AGM.
- c) Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM, but shall not be entitled to vote again at the AGM.
- d) Voting rights of Shareholders (for voting through remote e-voting or by ballot paper at the AGM) shall be in proportion to their share of the paid up equity share capital of the Company as on Saturday, 20th July 2019 ("Cut-off Date"). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- e) Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the AGM Notice and holds shares as on the Cut-off Date, i.e. Saturday, 20th July 2019 may obtain the Login ID and Password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password for casting your vote. If you have forgotten your password, you may reset your password by using "Forgot User Details/Password" option available on <https://www.evoting.nsdl.com/>
- f) Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to smguptaandco@yahoo.com with a copy marked to evoting@nsdl.co.in
- g) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and the e-voting user manual for members available in the download section of <https://www.evoting.nsdl.com/> or call on the toll free no. : 1800-222-990 or send a request at evoting@nsdl.co.in or contact Pallavi Mhatre, Assistant Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013.
- h) It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or the 'Physical User Reset Password?' option available on <https://www.evoting.nsdl.com/> to reset the password.
- i) Mr S M Gupta, Partner of M/s S M Gupta & Co., Company Secretaries, (Membership No. FCS 896, CP No. 2053) has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the voting process at the AGM in a fair and transparent manner.
- j) The Chairman shall, at the AGM, at the end of discussion on the resolutions, allow the voting with the assistance of scrutinizer for all those members who are present at the AGM but have not cast their votes by availing remote e-voting facility.

- k) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company.
- l) The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, not later than two days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- m) The Chairman or the person authorised by him in writing forthwith on receipt of the consolidated Scrutinizer's Report, declare the results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website www.ifglref.com and on the website of NSDL <https://www.evoting.nsdl.com/> immediately after their declaration and communicated to the Stock Exchanges where the Company is listed viz. BSE Limited and National Stock Exchange of India Limited.
- n) Subject to receipt of requisite number of votes, the Resolution(s) set out in the Notice shall be deemed to be passed on the date of the AGM.

EXPLANATORY STATEMENT IN RESPECT OF BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 5

Your Directors recommend that M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), who have confirmed in writing their willingness and also that they fulfil all requisite criteria specified, are appointed as Statutory Auditors of your Company for a term of 5 (five) years from FY 2019-2020 to hold office immediately after conclusion of ensuing 12th Annual General Meeting of Shareholders of your Company until conclusion of 17th Annual General Meeting, subject to necessary approvals.

Aforesaid recommendation of your Board is in view that M/s Deloitte Haskins & Sells, Chartered Accountants (Firm Registration No. 302009E), who will complete their term of five years as your Company's Statutory Auditors on conclusion of forthcoming Annual General Meeting, have not communicated their willingness to be re-appointed for further period, possibly because of provisions relating to rotation of Statutory Auditors in the Act and Rules framed thereunder. They have also been Statutory Auditors of erstwhile IFGL Refractories Limited (amalgamated with your Company on and from 1st April 2016 following passing of an Order on 3rd August 2017 by Hon'ble National Company Law Tribunal, Kolkata Bench) on and from conclusion of their AGM held on 31st July 2010. Appointment of M/s S. R. Batliboi & Co LLP is in the interest of your Company as it is one of the leading Audit Firms in India and have accepted to act as Statutory Auditors of your Company at a Fee, which is substantially lower than that is being paid and hence, cost efficient to your Company.

Your Directors therefore commend passing of proposed resolution. None of the Directors of your Company is either directly or indirectly interested in passing of proposed resolution.

Item Nos. 6 and 7

By passing Special Resolutions at 10th Annual General Meeting of the Shareholders held on Saturday, 23rd December 2017, appointment and remuneration each of Mr Shishir Kumar Bajoria (DIN : 00084004) and Mr Pradeep Bajoria (DIN : 00084031) as Chairman and Managing Director of the Company respectively for period 5th August 2017 to 31st March 2020 were approved. While brief particulars of remuneration approved with changes made thereto is given hereinbelow, full details thereof and relevant information are appearing in the Agreements executed by the Company with them on 28th August 2017, amended on 14th June 2018, copies whereof are available for inspection of the Members both at Registered Office and Head & Corporate Office of the Company during working hours on working days (excluding Saturday).

Particulars	Mr Shishir Kumar Bajoria	Mr Pradeep Bajoria
Basic Salary (per month)	₹ 13 lacs plus yearly increment not exceeding 25%	₹ 17 lacs plus yearly increment not exceeding 25%
House Rent Allowance (per month)	Not entitled	20% of Basic Salary
Company leased rent free furnished accomodation	At actual	Nil
Reimbursement of Electricity, Gas, Water and Furnishings	At actual	
Reimbursement of Medical Expenses for self and family	At actual	
Leave Travel Concession for self and family once in a year	At actual	
Fees of clubs (excluding Admission and Life Membership Fees)	At actual	
Personal Accident/Medical Insurances	As per Company's Scheme	
Provident Fund, Superannuation and Gratuity Benefits	Not entitled	As per Company's Scheme
Contribution of 10% of monthly Basic Salary u/s 80CCD(2) of the Income Tax Act, 1961	Entitled	
Commission	1% per annum of eligible Net Profit	

In addition to aforesaid, Mr Shishir Kumar Bajoria and Mr Pradeep Bajoria are entitled to receive remuneration based on Net Profit of each of relevant year as may be approved by the Board on recommendation of the Nomination and Remuneration Committee. Total remuneration including allowances, perquisites and additional remuneration, if any, based on Net Profits is however required to be within individual limit of 5% and overall limit of 10% of eligible Net Profit of each of the respective year. Both of them are also entitled to reimbursement of expenses incurred for travelling, boarding and lodging during business trips, provision of car and telephone at residence for use on the Company's business and such expenses are not to be considered as perquisites.

One of the terms and conditions of appointment of both Mr Shishir Kumar Bajoria and Mr Pradeep Bajoria is that in the event of loss or inadequate profit in any financial year during term of their office, aggregate of their entitlement of remuneration including perquisites will be the 'minimum remuneration' subject to such approvals as may be required, notwithstanding that said remuneration individually and collectively exceed individual limit of 5% and overall limit of 10% of eligible Net Profit specified at Section 197 read with Section I of Part II of said Schedule V of the Act and Regulation 17(6)(e) of SEBI LODR, 2015.

Resolutions proposed, as an abundant precaution, are for your approval for payment of aforesaid remuneration including perquisites to Mr Shishir Kumar Bajoria and Mr Pradeep Bajoria as 'minimum remuneration' for FY 2019-2020, should there be loss or inadequate profit for said year.

Nomination and Remuneration Committee and Board of Directors of the Company have recommended passing of proposed resolution. Proposed resolutions are also for the purposes of Section 197 of the Act .

Mr Shishir Kumar Bajoria and Mr Pradeep Bajoria are interested in the resolutions. Relatives of Mr Shishir Kumar Bajoria and Mr Pradeep Bajoria may be deemed to be interested in proposed resolutions to the extent of their interest including shareholding, if any, in the Company. Save and except the above, none of other Directors/Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in proposed resolutions. Your Directors commend passing of proposed Special Resolutions set out at Item No. 6 and 7 of the Notice.

Item No. 8

Your Company enter into transactions including contracts and/or arrangements, repetitive in nature and in ordinary course of business at arms length with related parties from time to time with regard to sale, purchase or supply of goods or materials, availing or rendering of services, appointment to/holding of office or place of profit etc. Based on transactions hitherto undertaken with related parties in India, transactions to be undertaken for FY 2019-2020 are given in Table below, in respect whereof Audit Committee of Directors of your Company have accorded Omnibus approval following provisions of Section 177 of the Act.

	Name of Related Party/Relationship/Nature of Transactions	Aggregate Maximum Value (₹ in lacs)
I)	Bajoria Financial Services Private Limited, Holding Company	
	Rent for Office Premises	100
	Reimbursement of Expenses	40
	Recovery of Expenses	5
II)	Bajoria Enterprises Limited, Fellow Subsidiary	
	Reimbursement of Expenses	100
	Ganges Art Gallery Private Limited, Fellow Subsidiary	
	Reimbursement of Expenses	50
III)	Key Management Personnel Remuneration	
	Shishir Kumar Bajoria (Chairman)	350
	Pradeep Bajoria (Managing Director)	400
	Kamal Sarda (Director & Chief Executive Officer)	150
	Rajesh Agarwal (Company Secretary)	150
	Sikander Yadav (Chief Financial Officer)	100
	Director's Commission	
	Shishir Kumar Bajoria (Chairman)	100
	Pradeep Bajoria (Managing Director)	100
IV)	Relative of Key Management Personnel Remuneration	
	Akshay Bajoria	100

Although in respect of aforesaid related party transactions, not being related parties referred to at fifth proviso of Section 188(1) of the Act, your approval is strictly not required, your Directors recommend passing of proposed Ordinary Resolution as an abundant precaution and corporate governance practices followed by your Company.

None of the Directors/Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in proposed resolution. Your Directors commend passing of proposed Ordinary Resolution set out at Item No. 8 of the Notice.

Item No. 9

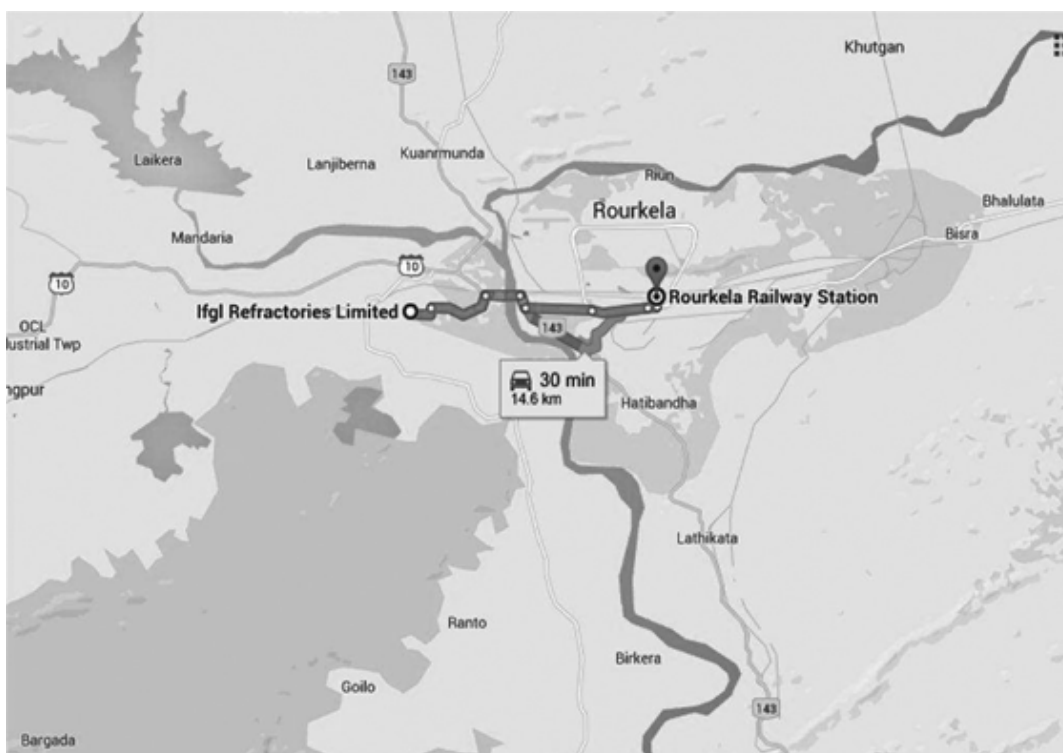
Your Company is required to maintain cost records and have the same audited by a Cost Auditor following provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules 2014. Your Directors accordingly at the recommendation of the Audit Committee has re-appointed M/s Mani & Co., Cost Accountants, at a remuneration not exceeding ₹ 300,000/- only, for FY 2019-2020. 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.

None of the Directors/Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in proposed resolution. Your Directors commend passing of proposed Ordinary Resolution set out at Item No. 9 of the Notice.

Brief Resume of Directors proposed to be re-appointed at the AGM :

Name of the Directors	PRADEEP BAJORIA	KAMAL SARDA
Item No of the Notice	3	4
DIN	00084031	03151258
Date of Birth	23/03/1960	06/02/1963
Expertise in Specific Functional Area	<ul style="list-style-type: none"> Associated with erstwhile IFGL Refractories Limited (IFGL), merged with the Company, right from its inception and has a wide knowledge and intricate experience of more than 39 years in Refractory business. Was Director & Chief Executive of erstwhile Indo Flogates Limited and Managing Director of IFGL Was involved in various capacities in Indian Refractory Makers Association. 	<ul style="list-style-type: none"> Has three decades of experience in the field of Finance, Accounts, Commercial and Operations with more than 20 years of hands on working experience in Refractory Industry Presently Chairman of the Indian Refractory Makers Association (IRMA). Was Chief Operating Officer of erstwhile IFGL Refractories Limited.
Qualification	B.Com (Hons)	B.Com (Hons), LLB, FCA
Board Membership of other companies as on 31st March 2019	<ol style="list-style-type: none"> Heritage Insurance Brokers Private Limited Birdie Trading Private Limited Bajoria Enterprises Limited 	<ol style="list-style-type: none"> Indian Refractory Makers Association
Chairman/Member of the Committee of the Board of Directors of the Company as on 31st March 2019	Member in : <ol style="list-style-type: none"> Stakeholders Relationship Committee Investment Committee 	Member in : <ol style="list-style-type: none"> Stakeholders Relationship Committee Investment Committee
Chairman/Member of the Committee of Directors of other public Company of which he is Director as on 31st March 2019	None	None
Shareholding as on 31st March 2019	61,270	2,000
Relationship between Directors inter-se	None	None

Route Map to the venue of 12th AGM of IFGL Refractories Limited



COMMITTED TO CLEAN METAL



IFGL Refractories Limited

(Formerly IFGL EXPORTS LIMITED)

ANNUAL REPORT 2018 - 2019



Forward Looking Statement

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

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

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

CORPORATE INFORMATION

Board of Directors

D K Banerji
Y Kawatsu
S Khasnobis
Prof S Munshi
K Oshikawa
D G Rajan
Prof B Ray
K S B Sanyal

Chairman

S K Bajoria

Managing Director

P Bajoria

Director and Chief Executive Officer

K Sarda

Company Secretary

R Agarwal

Chief Financial Officer

S Yadav

Auditors

Deloitte Haskins & Sells
Grant Thornton UK LLP
Crowe Horwath LLP

Internal Auditor

Rupa & Co.

Cost Auditor

Mani & Co.

Secretarial Auditor

S M Gupta & Co.

Principal Bankers

State Bank of India
DBS Bank India Limited
ICICI Bank Limited
Yes Bank Limited

Registered Office & Kalunga Works

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

Head & Corporate Office

McLeod House, 3, Netaji Subhas Road
Kolkata 700 001
Tel : +91 33 40106100
Fax : +91 33 22430886
E-mail : ifgl.ho@ifgl.in,
investorcomplaints@ifgl.in

Kandla SEZ Works

Plot Nos. 638-644,
Kandla Special Economic Zone,
P.O. : Gandhidham 370 230
Dist. : Kutch, Gujarat
Tel/Fax : +91 2836 253900
E-mail : ifglexports@ifgl.in

Overseas Branch

RAS Al Khaimah FTZ, UAE

BETWEEN THE COVERS

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Directors' cum Management Discussion and Analysis Report

Dear Shareholders,

Your Directors present the Statement of Profit and Loss for Financial Year (FY) ended on 31st March 2019 (FY 2018-19) and Balance Sheet as on that date along with Notes, Cash Flow Statement and Auditor's Report forming part thereof.

Financial Results

Summary of Financial Results on Consolidated and Standalone basis, for FY 2018-19 are as follows :

(₹ in Millions)

	Consolidated	Standalone
Revenue from Operations	9,402.62	4,791.27
Other Income	57.87	37.63
Total Revenue	9,460.49	4,828.90
Profit before Depreciation, Interest and Tax (PBDIT)	1,145.16	755.21
Depreciation and Amortisation	460.20	388.70
Finance Cost	44.47	40.98
Profit before Tax	640.49	325.53
Tax Expense	135.89	65.90
Profit for the year after Tax	504.60	259.63
Other Comprehensive Income for the year, Net of Tax	(1.22)	(3.81)
Total Comprehensive Income for the year	503.38	255.82
Proposed Dividend	-	900.98
Proposed Dividend @ ₹ 2.50 per Equity Share		
Basic and Diluted Earnings per Share	14.00	7.20
Disclosures under Regulation 34(3) read with Clause B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015)		
i) Debtors Turnover Ratio	3.7:1	2.7:1
ii) Inventory Turnover Ratio	3.6:1	3.6:1
iii) Interest Coverage Ratio	15.4:1	8.9:1
iv) Current Ratio	2.6:1	2.1: 1
v) Debt Equity Ratio	0.11	0.13
vi) Operating Profit Margin (%)	6.7%	6.9%
vii) Net Profit Margin (%)	5.4%	5.4%
viii) Return on Net Worth (%)	6.3%	5.1%

Aforesaid Financial Results achieved, in the opinion of your Directors, are satisfactory. Although there has been an increased demand in India and abroad, for refractories manufactured by your Company, the margins were under pressure due to selling price and cost of raw materials.

PAT is higher by 7.1% and 15.0% on Consolidated and Standalone basis compared to those of preceding FY 2017-18. Correspondingly EPS on Consolidated and Standalone basis has also been higher.

Dividend

Following your Company's policy of distributing profits, your Directors have recommended payment of Dividend @ 25% i.e. ₹ 2.50 per Equity Share for FY 2018-19, which is higher by 5% i.e. ₹ 0.50 per Equity Share than that paid for preceding FY 2017-18. If approved at the ensuing Annual General Meeting scheduled to be held on Saturday, 27th July 2019, will be distributed amongst eligible Shareholders on and after Thursday, 1st August 2019. Dividend including Dividend Distribution Tax (DDT) will entail outflow of ₹ 108.62 millions.

Industry Review, Future Outlook and Expansion Plans

During FY 2018-19, your Company having its manufacturing facilities in India and abroad in Peoples Republic of China, UK and USA, continued primarily to be a manufacturer of Specialized Refractories and Operating Systems for the Iron and Steel Industry and the German Subsidiary focused on foundry ceramics. With such a spread of manufacturing facilities, your Company has been catering to customers across the Globe selling in 58 Countries spanning 6 continents.

There has been a turnaround in the Steel sector during FY 2018-19 because of several remedial and proactive measures taken by the Governments in India and abroad. This has resulted in increased production as well as demand for Steel products particularly in Asia

Directors' cum Management Discussion and Analysis Report *(Contd.)*

Pacific. In India, Steel sector has also been a major beneficiary of Insolvency and Bankruptcy Code (IBC) which has resulted in release of idle capacities of several debt ridden entities. Improved plant utilisation and increased demand for Steel products also augurs well for your Company.

Uncertainty about BREXIT, ongoing global trade frictions, weakening of demand especially in Europe and China, are some of the concerns for FY 2019-20 and being closely monitored by your Company. However your Directors are of view that the positives outweigh the negatives in as much as Global Refractories market is expected to grow at CAGR of more than 5.2% till 2023. These have led your Directors to increase commitments towards capital expenditure inasmuch as your Company is now in the process of setting up new greenfield manufacturing facility in Visakhapatnam (India) and expanding manufacturing facility at Kandla Special Economic Zone, Gujarat (India) by creating additional capacities.

This optimism is also supported by World Steel Association's projection that Steel production will increase over next 3 to 5 years. Demand for Steel in India is also projected to grow by 7% or more in near term as the economy is expected to achieve faster growth from second half of FY 2019-20 post General Elections.

Your Company during FY 2018-19 derived 55.7% of Revenue from Operations on Standalone basis from exports. On Consolidated basis, 51.4% only of Revenue from Operations has been from Asia Pacific Region including India.

Subsidiaries

All subsidiaries of your Company performed satisfactorily during FY 2018-19. Total Revenue and PBT on consolidated basis for FY 2018-19 of your Company's immediate subsidiary, IFGL Worldwide Holdings Limited, Isle of Man are higher by 12.5% and 5.2% respectively than those of immediately preceding FY 2017-18. Further steps are being taken by the Management of your German and one of the US subsidiaries to improve their performance. As a part of ongoing corporate simplification, UK non-operating subsidiary, Hofmann Ceramic Limited was dissolved during FY 2018-19.

Corporate Governance/Vigil Mechanism etc

Report on Corporate Governance (CG Report) and related Report of the Statutory Auditors form part of this Report and are annexed hereto as **Annexure 'A'**. CG Report is in conformity with provisions of Regulation 34 of the SEBI LODR, 2015, amended to date.

Your Company has adopted and put in place several Policies including on Vigil Mechanism (Whistle Blower), Prevention of Sexual Harassment, Insider Trading, Internal Control, Risks Management and Transfer Pricing etc commensurate to nature and size of business of your Company. These Policies have been hosted on your Company's website www.ifglref.com and are reviewed and updated from time to time. During FY 2018-19, no complaint and or alert was received either under Vigil Mechanism (Whistle Blower) or for Sexual Harassment. The Internal Complaints Committee in place is following provisions of Sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Disclosures

Extract of Annual Return, being Form MGT 9, form part of this Report as **Annexure 'B'** – this has also been hosted on your Company's website www.ifglref.com. Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in **Annexure 'C'**. Your Company entered into transactions with related parties in ordinary course of its business and at arms length only. Thus Form AOC-2 has not been annexed with details of these transactions. During FY 2018-19, your Company did not give loans, guarantees or investments under Section 186 of the Companies Act, 2013 (the Act). Evaluation of performance of your Company's Board of Directors and its Committees and Individual Directors including Independent Directors and Chairman of Board has been carried out. Outcome of such evaluation is that the Board and its Committees continued to function satisfactorily and flow of information thereto has been befitting nature of business and size of your Company. From time to time, Directors received briefings on key matters including regulatory, which furthered their performance.

Following Announcement of Quarterly and Annual Results, your Company made quarterly presentations, conference calls and interactions, resulting in enhanced confidence of Investors in your Company. Investor Relations Advisor, Strategic Growth Advisors Private Limited co-ordinated and/or facilitated these. As on 31st March 2019, 16.21% of your Company's shares was held by Mutual Funds.

A statement in Form AOC-1 having financial information of Subsidiary Companies form part of this Report as **Annexure 'D'**. Your Company does not have any Indian Subsidiary. Shareholders of your Company who are desirous of having complete Statement of Accounts and related detailed information of Subsidiary Companies, may send their request therefor to your Company's Registered Office. They are being kept for inspection at Registered Office of your Company and its Subsidiaries Companies and also available on Company's website www.ifglref.com.

Information including those to be provided following Section 134(3) of the Act read with relevant provisions of the Companies

Directors' cum Management Discussion and Analysis Report (Contd.)

(Accounts) Rules, 2014 and Regulation 34 and 53 of SEBI LODR, 2015 have been included in Annexures hereto including Audited Financial Statements and notes forming part thereof and have not been reproduced herein again. During FY 2018-19 your Company neither invited nor accepted Deposits.

Particulars of meetings of the Board of Directors and Committees held during FY 2018-19 and attendance are given in CG Report. Gap between two meetings of your Directors did not exceed one hundred twenty days. Between end of FY 2018-19 and date of this Report, there has been no material changes and commitments, if any, in financial position of your Company. There have also not been Orders, save those mentioned in Audited Statements and Report of the Statutory Auditors, passed by the regulators or courts or tribunals likely to impact going concern status or operations in future of your Company.

Following Regulation 17(8) read with Part B of Schedule II of SEBI LODR, 2015, Certificate on Financial Statements has been received from Director and Chief Executive Officer and Chief Financial Officer of your Company.

Directors Responsibility Statement

Your Directors state that :

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

Financial Statements for FY 2018-19 have been audited in accordance with Generally Accepted Accounting Principles as indicated in Report of Statutory Auditors.

CSR, Human Resource and Industrial Relations

CG Report include details of your Company's CSR Committee and Annual Report in compliance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is forming part as **Annexure 'E'**.

Particulars of Nomination and Remuneration Committee have also been included in CG Report. Nomination and Remuneration Policy adopted by your Directors based on recommendation of the Committee is hosted on your Company's website www.ifglref.com. Said Policy inter-alia provide for matters concerning Directors appointment and remuneration including criteria for determining qualifications, positive attributes, Independence of Directors and those provided in Section 178(3) of the Act. For the sake of brevity said Policy has not been reproduced here.

An Annexure having information following provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report as **Annexure 'F'**. Said Annexure as per provisions of Section 136 of the Act is not being circulated amongst Shareholders. However, Shareholders desirous of having said Annexure may write to the Company Secretary at the Registered Office of your Company and obtain copies thereof.

During FY 2018-19, 4(Four) persons (including Executive Directors) employed with your Company received remuneration of ₹ 102 lacs per annum or more or ₹ 8.50 lacs per month or more. As on 31st March 2019, your Company have had 627 regular employees in India and 921 worldwide.

During FY 2018-19 also, Industrial Relations in your Company remained cordial. Working environment provided to employees was conducive. Trainings were imparted, whereby employees achieved skills befitting their roles and responsibilities ultimately resulting in increased productivity. Compensation packages and benefits provided have been comparable with those of the peers and continued to motivate employees at large.

Consolidated Financial Statements

In accordance with IND AS 110 and other relevant provisions particularly Section 129(3) of the Act, Consolidated Financial Statements

Directors' cum Management Discussion and Analysis Report (Contd.)

duly audited by Statutory Auditors, M/s Deloitte Haskins & Sells form part of this Annual Report. Consolidated Financial Statements have been prepared considering Financial Statements of Subsidiary Companies and Reports of Auditors relating thereto.

Directors and Key Managerial Personnel (KMP's)

Following provisions of Section 203 of the Act, your Company have Key Managerial Personnel, particulars whereof are appearing at Note 35 of Audited Statement of Accounts. During FY 2018-19 your approval was obtained through postal ballot for uninterrupted holding of office of Independent Director by Mr D G Rajan (DIN : 00303060), Mr K S B Sanyal (DIN : 00009497), Prof B Ray (DIN : 06965340) and Prof S Munshi (DIN : 03558948) till completion of their term i.e. upto conclusion of 15th Annual General Meeting of your Company, following provisions of Regulation 17 of SEBI LODR, 2015. All of the Independent Directors have given their statement of declaration under Section 149(7) of the Act. The Board is also of the opinion that Independent Directors continue to fulfil independence criteria and all conditions specified in the Act and SEBI LODR, 2015.

At the ensuing Annual General Meeting of your Company, Managing Director, Mr P Bajoria (DIN : 00084031) and Director and Chief Executive Officer, Mr K Sarda (DIN : 03151258) will retire by rotation and being eligible, have offered themselves for re-appointment for further period also liable to retire by rotation. Your Board and Nomination and Remuneration Committee have recommended said re-appointments and commended passing of resolutions proposed for the said purpose and more fully included in Notice of forthcoming Annual General Meeting.

All of your Directors and Senior Management Personnel as on 31st March 2019 have confirmed having complied with Code of Conduct for Board of Directors including Independent Directors and Senior Management Personnel of your Company. This code has continued to help your Company maintain standard of ethics and ensure compliance of legal requirements applicable.

Cost Auditor

For FY 2018-19, your Company has maintained accounts and records to the extent provisions of Section 148 of the Act were applicable. Your Directors have re-appointed M/s Mani & Co., as Cost Auditors of your Company for FY 2019-20 too and are seeking your approval for payment of remuneration not exceeding ₹ 3 lacs to them for that FY. In this regard your Directors commend passing of Ordinary Resolution proposed and included in Notice of forthcoming Annual General Meeting.

Secretarial Auditor

Secretarial Audit Report in Form MR-3 following provisions of Section 204 of the Act of M/s S M Gupta & Co., Practicing Company Secretaries forming part hereof as **Annexure 'G'**. Following Regulation 24A of SEBI LODR, 2015 they have also carried out Secretarial Compliance Audit for FY 2018-19. Both of said Report and Certificate are free of qualifications, reservations or adverse remarks.

Auditors' Report and Auditors

Report of the Statutory Auditors, M/s Deloitte Haskins & Sells (Regn No. 302009E), Chartered Accountant on Statement of Accounts for FY 2018-19 is self-explanatory. They have made no qualification, reservation or adverse remark or disclaimer in their Report. They have not reported any frauds under Section 143(12) of the Act. They will retire at conclusion of forthcoming Annual General Meeting and have not communicated their willingness to be re-appointed for further period, possibly because of provisions relating to rotation of Statutory Auditors in the Act and Rules framed thereunder. They, prior to being appointed as Statutory Auditors of your Company, were also Statutory Auditors of erstwhile IFGL Refractories Limited.

Your Board based on recommendation of Audit Committee, commend that in the vacancy caused following retirement of M/s Deloitte Haskins & Sells as Statutory Auditors of your Company, M/s S R Batliboi & Co. LLP (Regd No. 301003E/E300005) are appointed as Statutory Auditors of your Company for a period of five years i.e. from immediately after conclusion of ensuing 12th Annual General Meeting to conclusion of 17th Annual General Meeting. M/s S R Batliboi & Co. LLP have confirmed in writing their willingness to be so appointed and that they comply with all requirements and criteria specified and qualified to act as Auditors of your Company. Your Directors place on record their appreciation for services and professional advise received from M/s Deloitte Haskins & Sells over the years.

Acknowledgement

Your Directors thank all concerned particularly you the Shareholders for your continued support.

On behalf of the Board of Directors

Kolkata
11th May 2019

S K Bajoria
(DIN : 00084004)
Chairman

P Bajoria
(DIN : 00084031)
Managing Director

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

1. The Company's philosophy on Corporate Governance continues to apply best management practices, compliance of law in true letter and spirit, 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 Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) amended to date read with relevant provision of the Companies Act, 2013 (the Act) & Rules framed thereunder, is given below.

2. **Board of Directors (Board)** of the Company comprise of the following :

Category	No. of Directors	%
Executive Directors	3	27
Non-Executive Non Independent Directors	2	18
Non-Executive Independent Directors	5	46
Non-Executive Independent Woman Director	1	9
Total	11	100

Composition, Category, Directorship and Committee Membership in other Companies of the Board of the Company as on 31st March 2019 have been as follows :

Director's Name	Director's Category	Members of the Board of Public Limited Companies incorporated in India (including IFGL Refractories Limited)		Total Number of Committee (d) Membership held in Public Limited Companies [including IFGL Refractories Limited but excluding Private Limited Companies, Foreign Companies and Companies of Section 8 of the Companies Act, 2013 (the Act)]	
		Listed	Unlisted	As Chairman	As Member
P Bajoria	Executive	1	1	–	1
S K Bajoria	Executive (a)	1	1	–	–
K Sarda	Executive	1	–	–	1
D K Banerji	Non-Executive (c)	1	–	–	1
S Khasnobis	Non-Executive (c)	1	–	–	–
Y Kawatsu	Non-Executive (b)	1	–	–	–
Prof S Munshi	Non-Executive (c)	1	–	–	–
K Oshikawa	Non-Executive (b)	1	1	–	–
D G Rajan	Non-Executive (c)	2	3	5	1
Prof B Ray	Non-Executive (c)	2	–	–	1
K S B Sanyal	Non-Executive (c)	3	1	4	1

None of the Directors is related inter-se.

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

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

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

Following Directors only hold Directorship in other Listed Companies and relevant particulars thereof is summarised in Table below :

Listed Entity Name	Director's Name	Directorship Category
Phillips Carbon Black Limited	K S B Sanyal	Director
Cimmco Limited	K S B Sanyal	Director
Balaji Telefilms Limited	D G Rajan	Director
International Combustion (India) Limited	Prof B Ray	Director

Non-Executive Directors did not have any pecuniary relationship and/or transaction with the Company other than receiving Sitting Fees and/or reimbursement of out-of-pocket expenses for attending meetings of the Board and/or Committee(s) thereof. Your Board is of the opinion that Independent Directors fulfill conditions specified in SEBI LODR, 2015 and are independent of management of the Company.

During Financial Year (FY) 2018-2019, 4 (four) meetings of the Board were held and details thereof are as follows :

Board Meeting dates	No. of Directors present
19th May 2018	10
11th August 2018	9
10th November 2018	7
9th February 2019	8

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

The Company effected payment of ₹ 20,000/- towards Sitting Fees for attending each meeting of the Board. Annual General Meeting of the Company was last held on Saturday, 25th August 2018. Attendance of the Directors at Board Meetings and at AGM held during FY 2018-2019 has been as follows :

Director's Name	Number of Board Meetings held	Number of Board Meetings attended	Attended last AGM held on 25th August 2018
P Bajoria	4	4	Yes
S K Bajoria	4	4	No
D K Banerji	4	4	No
Y Kawatsu	4	1	No
S Khasnobis	4	3	No
Prof S Munshi	4	4	No
K Oshikawa	4	1	No
D G Rajan	4	3	No
Prof B Ray	4	4	No
K S B Sanyal	4	2	Yes
K Sarda	4	4	Yes

Bajoria Financial Services Private Limited (BFSPL), 100% shareholding whereof is held by Mr S K Bajoria and his family members, is Holding Company of the Company. BFSPL throughout FY 2018-2019 held 18,454,353 Equity Shares, being 51.21% of total issued, subscribed and paid up share capital of the Company.

Krosaki Harima Corporation (KHC), Japan being foreign promoter of the Company throughout FY 2018-2019 held 5,590,156 Equity Shares, being 15.51% of total issued, subscribed and paid up share capital of the Company.

Particulars of shareholding of Non-Executive Directors of the Company (both own or held by/for other person(s) on beneficial basis), as on 31st March 2019, are as follows :

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

Director's Name	No. of Shares held
D K Banerji	–
Y Kawatsu	–
S Khasnobis	–
Prof S Munshi	–
K Oshikawa	–
D G Rajan	490
Prof B Ray	–
K S B Sanyal	–

The Company primarily is a manufacturer of specialized refractories for producers of Iron and Steel. Hence, core skills, expertise and competencies identified to function effectively amongst others are managerial, technical and administrative including knowledge of legal, human management, public relations, finance, banking, IT, training domains. All of those are available with the Board in as much as members thereof are from diverse fields and have said competencies collectively. For the sake of brevity, Table below give summary of said competencies only of Whole-time Executive Directors of the Company.

Director's Name	Qualifications	Experience (in years)	Skill/Expertise/Competence			
			Managerial	Technical	Administrative	Others @
P Bajoria	B.Com(Hons)	39	✓	✓	✓	✓
S K Bajoria	B.Com(Hons)	43	✓	✓	✓	✓
K Sarda	B.Com(Hons), LLB, FCA	31	✓	✓	✓	✓

@ includes Legal, Human Resource, Public Relations, Banking & Finance, Education and Training.

Information placed before the Board

During FY 2018-2019, the Company held its meetings of the Board following requisite provisions of the Act. The Board members, with permission of the Chairman brought matters not covered in Agenda for consideration of the Board. All major Agenda items were backed by comprehensive background information to enable the Board members to take informed decisions.

3. Board Committees

The Company have five Board level Committees :

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Investment Committee

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. Role & composition of these Committees and dates on which meeting thereof were held, attendance of Committee Members thereat, their role and responsibility etc are given below.

i) Audit Committee

The Company has an Audit Committee comprising of following three Non-Executive Independent Directors, all financially literate and having accounting or related Financial Management expertise.

Director's Name	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	4	2
D K Banerji	Member	4	4
D G Rajan	Member	4	3

4 (four) meetings of the Committee were held on 19th May 2018, 11th August 2018, 10th November 2018 and 9th February 2019 during FY 2018-2019. Gap between two meetings never exceeded one hundred and twenty days.

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

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

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

Terms of reference of the Committee included powers and role to review information as specified in Part C of Schedule II of SEBI LODR, 2015 of the Company and its Subsidiaries.

ii) Corporate Social Responsibility Committee

The Company has Corporate Social Responsibility Committee, constituted in compliance of Section 135 of the Act and Rules framed thereunder, comprising of following Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
Prof B Ray	Chairperson	3	3
S K Bajoria	Member	3	3
D K Banerji	Member	3	3
K S B Sanyal	Member	3	2

During FY 2018-2019, 3 (three) meetings of the Committee were held on 19th May 2018, 11th August 2018 and 9th February 2019. The Committee following its role and responsibility formulated and recommended to the Board a Policy indicating CSR activities to be undertaken, expenditure to be incurred on account thereof and monitoring the same on an ongoing basis.

iii) Nomination and Remuneration Committee

As per Para A of Part D of Schedule II of SEBI LODR, 2015, role of the Nomination and Remuneration Committee (the Committee) include formulation of criteria for determining qualification, positive attributes and independence of Directors and recommend to the Board, Policy relating to Remuneration of Directors, Key Managerial Personnel and other Employees. Role also include determination on behalf of the Board and on behalf of the Shareholders, 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 and remuneration, in whatever form, payable to Senior Management.

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

This Committee comprise of following Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
D G Rajan	Chairman	3	2
D K Banerji	Member	3	3
K S B Sanyal	Member	3	2

3 (three) meetings of the Committee were held on 19th May 2018, 11th August 2018 and 10th November 2018 during FY 2018-2019.

Remuneration paid/payable to Executive and Non-Executive Directors for FY 2018-2019 by the Company is as follows :

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

(₹ 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)*	230.40	37.76	124.39	1.60	–	–
S K Bajoria (e)*	144.00	37.76	14.40	18.05	–	–
D K Banerji	–	–	–	–	0.80	0.70
Y Kawatsu	–	–	–	–	0.20	–
S Khasnobis	–	–	–	–	0.60	–
Prof S Munshi	–	–	–	–	0.80	–
K Oshikawa	–	–	–	–	0.20	–
D G Rajan	–	–	–	–	0.60	0.40
Prof B Ray	–	–	–	–	0.80	0.15
K S B Sanyal	–	–	–	–	0.40	1.05
K Sarda (f)*	90.39	–	5.67	6.41	–	–

*As per Ind AS - 24 (Refer Note 35 - Related Party Disclosures to Statement of Accounts)

- e) i) Service Contract valid upto 31st March 2020.
ii) Notice Period and Severance Fees - 3 months Notice from either side or salary in lieu thereof.
iii) Commission variable within - 1% of the 'Net Profit' eligible.
- f) i) Service Contract - valid upto 30th September 2020.
ii) Notice Period and Severance Fees - 3 months Notice from either side or salary in lieu thereof.
- No stock option has been given to the Directors.

iv) Stakeholders Relationship Committee

This Committee comprise of following Executive and Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	13	13
P Bajoria	Member	13	6
K Sarda	Member	13	12

During FY 2018-2019, 13 (thirteen) meetings of the Committee were held on 2nd April 2018, 28th April 2018, 28th May 2018, 25th June 2018, 23rd July 2018, 20th August 2018, 17th September 2018, 15th October 2018, 12th November 2018, 10th December 2018, 7th January 2019, 4th February 2019 and 4th March 2019 and gap between two meetings never exceeded 30 days.

Following Para B of Part D of Schedule II of SEBI LODR, 2015, role of the Committee include redressal of Shareholders complaints relating to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends/shares, issue of new/duplicate certificates etc. Role of the Committee also include reviewing measures taken for a) effective exercise of voting rights by Shareholders b) adherence of Company's service standards by Registrar and Share Transfer Agent c) various measures taken by the Company to reduce quantum of unclaimed dividends and ensuring timely receipt of documents by the Shareholders.

Company Secretary, Mr R Agarwal under authority vested in him following provisions of Regulation 40 of SEBI LODR, 2015 approved Share Transfers, subject to ratification at immediately succeeding meeting of the Committee.

Status of complaints received from Shareholders/Investors is as follows :

Number of complaints pending as on 1st April 2018	–
Number of complaints received during the year	11
Number of complaints resolved during the year	11
Number of complaints pending as on 31st March 2019	–

Most of complaints received related to non-receipt of a) Share Certificates b) Dividend c) Annual Report etc.

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

v) Investment Committee

This Committee comprise of following Executive and Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
S K Bajoria	Chairman	1	1
P Bajoria	Member	1	1
S Khasnobis	Member	1	-
K Sarda	Member	1	1

During FY 2018-2019, 1 (one) meeting of the Committee was held on 10th November 2018.

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

4. General Body Meetings

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

AGM	FY	Date	Time	Place
9th	2015-2016	Monday, 27th June 2016	11 AM	3, Netaji Subhas Road, Kolkata - 700001
10th	2016-2017	Saturday, 23rd December 2017	11 AM	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga - 770031, Dist. Sundergarh, Odisha
11th	2017-2018	Saturday, 25th August 2018	11 AM	-do-

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

FY	Items
2015-2016	Nil
2016-2017	<p>i) For appointment and payment of remuneration of Mr S K Bajoria (DIN : 00084004) as Executive Chairman, liable to retire by rotation, of the Company for the period 5th August 2017 to 31st March 2020, being the remainder period of his appointment as Executive Chairman of Transferor Company.</p> <p>ii) For appointment and payment of remuneration of Mr P Bajoria (DIN : 00084031) as Managing Director, liable to retire by rotation, of the Company for the period 5th August 2017 to 31st March 2020, being the remainder period of his appointment as Managing Director of Transferor Company.</p> <p>iii) For re-appointment and payment of remuneration of Mr K Sarda (DIN : 03151258) as Whole-time Director and Chief Executive Officer, liable to retire by rotation, of the Company for the period 1st October 2017 to 30th September 2020.</p> <p>iv) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties.</p> <p>v) Under Section 188(1)(f) of the Act for consent of the Company for continued holding of office or place of profit by Mr Akshay Bajoria, son of Managing Director, Mr P Bajoria.</p> <p>vi) Under Section 94 of the Act for maintenance of Registers and Returns under Sections 88 and 92 of the Act at Company's Head and Corporate Office at 3, Netaji Subhas Road, Kolkata 700001 on and from 1st January 2018.</p> <p>vii) Under Section 14 of the Act for adoption of new set of Articles of Association of the Company.</p> <p>viii) Under Section 180(1)(c) of the Act for consent of the Company for borrowing upto maximum of ₹ 1,000 crores and create mortgage on account thereof.</p>
2017-2018	For payment of remuneration to Managing Director, Mr P Bajoria (DIN : 00084031) for FY 2018-2019 as 'minimum remuneration'.

Postal Ballot

The Company conducted following business in as much as passed Special Resolution through Postal Ballot during FY 2018-2019, which was conducted by Practicing Company Secretary, Mr S M Gupta (FCS No. 896, CP No. 2053) appointed as Scrutinizer.

- i) Approval for continuation of Directorship of Mr D G Rajan (DIN : 00303060) as a Non-Executive Independent Director till completion of his present term i.e. upto conclusion of 15th Annual General Meeting of the Company.

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

- ii) Approval for continuation of Directorship of Mr K S B Sanyal (DIN : 00009497) as a Non-Executive Independent Director till completion of his present term i.e. upto conclusion of 15th Annual General Meeting of the Company.
- iii) Approval for continuation of Directorship of Prof B Ray (DIN : 06965340) as a Non-Executive Independent Director till completion of her present term i.e. upto conclusion of 15th Annual General Meeting of the Company.
- iv) Approval for continuation of Directorship of Prof S Munshi (DIN : 03558948) as a Non-Executive Independent Director till completion of his present term i.e. upto conclusion of 15th Annual General Meeting of the Company.

5. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is core of good governance. The Company :

- Announced Quarterly Results and Audited Annual Results within time permissible under SEBI LODR, 2015 and Stock Exchanges were intimated immediately after the same were taken on record by the Board. Further coverage was given for the benefit of Shareholders and Investors by publication of Financial Results in English and Odia newspapers as was applicable (Business Standard – English and Pratidin/Utkal Mail – Odia widely circulating in the State of Odisha). The Company also sent half yearly results to the Shareholders whose e-mail IDs were available. As per SEBI LODR, 2015, newspaper publications are also uploaded in websites of BSE and NSE.
- Made available Audited/Unaudited Financial Results and other pertinent information of the Company on its website i.e. www.ifglref.com website of NSE i.e. www.nseindia.com and website of BSE i.e. www.bseindia.com.
- Uploaded information relating to Shareholding Pattern, its Annual Report and those of Subsidiaries, Corporate Announcements/ Press Releases, Investors Presentation, Transcript of Quarterly Earnings Call with Investors on its website www.ifglref.com.

6. General Shareholder Information

Date of AGM	Saturday, 27th July 2019
Time	11 AM
Venue	Company's Registered Office
Financial Calendar 2019-2020 (tentative and subject to change)	<ul style="list-style-type: none"> • Financial Year – April to March • First Quarter Results – by second week of August 2019 • Second Quarter Results – by second week of November 2019 • Third Quarter Results – by second week of February 2020 • Audited Results for the year ending 31st March 2020 – by last week of May 2020
Book Closure Period	Monday, 22nd July 2019 to Saturday, 27th July 2019
Dividend Payment Date	Today, 11th May 2019, the Board of Directors of the Company has recommended payment of Dividend at the rate of 25% i.e. ₹ 2.50 per Equity Share for FY 2018-2019 subject to approval of the Shareholders at ensuing AGM. Payment of said Dividend will be made on or after Thursday, 1st August 2019.

Listing on Stock Exchanges

Equity Shares of the Company are listed both on BSE and NSE under Stock Code Nos. 540774 and IFGLEXPOR respectively. Payment of Listing Fee for FY 2019-2020 has been effected to said Stock Exchanges. ISIN allotted to the Company under the Depository System is INE133Y01011. Annual Custody Fee for FY 2019-2020 has also been paid to the Depository CDSL and said custody will be paid to Depository NSDL as and when they issue an invoice thereagainst.

Address for correspondence

Registered Office & Kalunga Works	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga - 770031, Dist. Sundergarh, Odisha Tel : +91 661 2660195, Fax : +91 661 2660173, E-mail : ifgl.works@ifgl.in
Head & Corporate Office	McLeod House, 3, Netaji Subhas Road, Kolkata - 700001 Tel : +91 33 40106100, Fax : +91 33 22430886 E-mail : ifgl.ho@ifgl.in and investorcomplaints@ifgl.in

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

Corporate Identification Number (CIN)

CIN of the Company is L51909OR2007PLC027954.

Market Price Data

Equity Shares of the Company have regularly been traded on BSE and NSE. Following is month-wise high/low prices of the Company's Equity Shares on BSE and NSE.

Months	BSE Limited		National Stock Exchange of India Limited	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2018	269.90	246.00	266.95	244.00
May 2018	263.00	213.00	264.00	211.50
June 2018	229.00	195.50	239.90	193.25
July 2018	236.50	195.00	235.00	195.00
August 2018	257.00	224.10	259.00	229.80
September 2018	272.35	223.00	269.00	224.50
October 2018	271.50	200.10	269.00	203.60
November 2018	265.70	233.00	270.00	230.55
December 2018	258.70	222.00	256.00	233.15
January 2019	262.00	218.50	251.25	216.10
February 2019	239.80	196.05	240.00	195.60
March 2019	252.00	207.05	249.95	206.30

Increase or decrease in the SENSEX/NIFTY is not commensurate to fluctuations in Market Price of Company's Equity Share.

7. Disclosures :

- A Statement in summary form of transactions with related parties in the ordinary course of business was placed periodically before the Board/Audit Committee. All transactions with the related parties have been on an arms length basis. A Policy on transactions with related parties have been superseded on 9th February 2019 and the same has been hosted on Company's website www.ifglref.com.
- The Company have had no materially significant related party transactions, which may have potential conflict with interest of the Company.
- For disclosures of related party relationship and transactions as per Ind AS-24, "Related Party Disclosure", Note 35 to the Annual Audited Accounts of the Company for the FY ended 31st March 2019 may be referred to.
- Resume and other information of the Directors proposed to be re-appointed at ensuing AGM of the Company are given in the Notice relating thereto to the Shareholders as required under Regulation 36(3) of SEBI LODR, 2015.
- Nomination and Remuneration Committee of the Company has devised a Policy on Board Diversity, a copy whereof is hosted on Company's website www.ifglref.com.
- A Management Discussion and Analysis Report has been included as a part of the Directors' Report to the Shareholders for FY ended 31st March 2019.
- In accordance with requirement of Corporate Governance, the Board of the Company formulated a Code of Conduct for Board including Independent Directors and Senior Management Personnel and the compliance thereof has been affirmed by all concerned. The Code provide for duties of Independent Directors as laid down in the Act. Required declaration to this effect signed by the Managing Director of the Company is appended as a separate Annexure to this Report. This Code of Conduct, adopted by the Company, has also been hosted on Company's website www.ifglref.com.
- No penalties/strictures were imposed on the Company by any regulatory authority on any matter related to capital markets during last three years.
- Minutes of Subsidiary Companies were placed before the Board of the Company and attention drawn to significant transactions and arrangement entered into by Subsidiary Companies. The Company has no Indian Subsidiary. Policy for determining Material Subsidiaries has been hosted on Company's website www.ifglref.com.
- The Company has laid down procedures to inform the Board Members about the risk assessment and minimisation. Said procedures were periodically reviewed to ensure that Executive Management control risks through means of a properly defined framework. These procedures have also been adopted by the Company.

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

- The Company has formulated the Code of Conduct for prevention of Insider Trading in securities of the Company by its Directors and Employees in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 amended to date and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information following said SEBI Insider Trading Regulations. These Codes of Conduct adopted by the Company, recently amended on 9th February 2019 have been hosted on Company's website www.ifglref.com. For the purposes of these Codes, Company Secretary, Mr R Agarwal is Compliance Officer and Director and Chief Executive Officer, Mr K Sarda is Chief Investor Relations Officer.
- The Company has appointed Strategic Growth Advisors Private Limited (Mr Samir Shah) of 402, Pressman House, Near Orchid Hotel, 70A, Nehru Road, Vile Parle (East), Mumbai 400099 as Investor Relations Advisors. Quarterly Results and presentation made to analysts have been hosted on Company's website www.ifglref.com. Transcripts of Quarterly Conference Calls on Financial Performance have also been hosted on said website.
- The Board of the Company has put in place a Policy on Prevention of Sexual Harassment following provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Copy of said Policy has been hosted on Company's website www.ifglref.com. During FY 2018-2019, no complaints was received under said policy.
- The Board of the Company have received a Certificate from the Director and Chief Executive Officer and Chief Financial Officer of the Company in compliance of Regulation 17(8) of SEBI LODR, 2015.
- The Company has a Vigil Mechanism (Whistle Blower) Policy for Directors and Employees, both permanent and temporary, to report concerns about unethical conduct and improper practices or alleged fraud or violation of Code of Conduct or Ethics Policy, to the Managing Director or Compliance Officer or the Audit Committee soon after becoming aware of the same. Said Policy inter-alia provide for adequate safeguards against victimisation of persons availing mechanism of the same and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Company has adopted said Policy and hosted a copy thereof on Company's website www.ifglref.com and no complaint thereunder was received during FY ended on 31st March 2019.
- Pursuant to Regulation 40 of SEBI LODR, 2015, Certificate, on half year basis were issued by a Company Secretary-in-Practice for due compliance of Share Transfer formalities by the Company and filed with Stock Exchanges within prescribed time.
- A Chartered Accountant in full time practice carried out Reconciliation of Share Capital Audit to reconcile total admitted capital with NSDL and CDSL and the total issued and listed capital of the Company. The Audit confirmed that the total issued/paid up capital has been in agreement with the aggregate of total number of Shares in physical form and the total number of Shares in dematerialised form (held with NSDL and CDSL).
- The Company has complied all mandatory requirements of Corporate Governance. Compliance of non mandatory requirements are dealt with at the end of the Report. Compliance Reports in format prescribed has been sent to Stock Exchanges within prescribed time.
- Independent Directors have confirmed that they meet criteria of 'Independence' as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR, 2015. The Board are of the opinion that the Independent Directors fulfil the conditions specified in SEBI LODR, 2015 and are independent of the management. None of the Independent Directors of the Company is a Non Independent Director of another Company on the Board of which Non Independent Director of the Company is an Independent Director.
- None of the Independent Directors is serving as Independent Directors in more than seven Listed Companies. Formal letters of appointment have been issued to the Independent Directors and hosted on Company's website www.ifglref.com.
- A meeting of the Independent Directors of the Company was held on 19th May 2018, whereat all of them except Mr D G Rajan were present. Independent Directors following Company's Policy familiarised themselves with their roles, rights and responsibilities, nature of industry in which the Company operated, business models of the Company etc. Details of familiarisation programmes forming part of Company's Policy therefor have been hosted on Company's website www.ifglref.com.
- In a meeting recently held, Independent Directors of the Company inter-alia reviewed performance of Non Independent Directors and the Board as a whole and the Chairperson of the Company taking into account views of Executive Directors and Non-Executive Directors. Quality, Quantity and Timeliness of flow of information between the Company Management and the Board necessary for the Board to effectively and reasonably perform their duties was also assessed. These were found to be satisfactory.
- Website www.ifglref.com of the Company is functional and provide information in accordance with Regulation 46 of SEBI LODR, 2015.
- In compliance of Regulation 7(3) of SEBI LODR, 2015, Compliance Certificate duly signed by Compliance Officer of the Company and authorised representative of Share Transfer Agent for half year ended on 30th September 2018 and 31st March 2019 have been submitted to Stock Exchanges within time prescribed.
- Regulation 21 of SEBI LODR, 2015 regarding constitution of Risk Management Committee is not applicable to the Company.
- Major currency for exports of the Company has been Euro. Based on recommendation of the Investment Committee and

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

supported by experts advice, the Company on few occasions entered into forward contracts to hedge risks on account of foreign exchange fluctuation.

- Manufacturing facilities of the Company are situated at Plot Nos 638-644, Kandla Special Economic Zone, P.O. Gandhidham 370230, Dist. Kutch, Gujarat and Sectors 'A' and 'B', Kalunga Industrial Estate, P.O. Kalunga - 770031, Dist. Sundergarh, Odisha.
- The Company did not raise any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI LODR, 2015.
- During FY 2018-2019, following credit ratings accorded to facilities availed by the Company, were re-affirmed by CARE Ratings Limited.

Facilities	Rating
Long Term Bank Facilities	CARE AA-; Stable (Double A minus, Outlook : Stable)
Short Term Bank Facilities	CARE A1+ (A one plus)
Long/Short Term Bank Facilities	CARE AA-; Stable/ A1+ (Double A minus, Outlook : Stable/A one plus)

- The Company has obtained Certificate from Practicing Company Secretary that none of its Directors has been debarred or disqualified from being appointed or continuing as Director of the Company by the Board/Ministry of Corporate Affairs or any such authority and same is appended as a separate annexure to this Report.
- The Board of the Company accepted all mandatory recommendations made by Committees of the Board during FY 2018-2019.
- Fees paid/payable for FY 2018-2019 by the Company to Statutory Auditors and their associates for services availed from them is summarised in table below :

Amounts Paid/Payable to Auditors	Amount in ₹ in lacs
As Auditors	
For Statutory Audit (including Limited Reviews)	48.50
For Certification work required to be done by Statutory Auditor	0.52
For Tax Audit	4.50
Reimbursement of Expenses	2.15
Total	55.67

No such fee was paid/payable by any of the Subsidiaries of the Company.

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

Maheshwari Datamatics Private Limited (MDPL)

Registered Office :

23, R N Mukherjee Road, 5th Floor, Kolkata - 700001

Phone : +91 33 22482248, Fax No : +91 33 22484787

E-mail : mdpldc@yahoo.com

Compliance Officer

Mr Rajesh Agarwal, Company Secretary

Head & Corporate Office :

McLeod House, 3, Netaji Subhas Road, Kolkata - 700001

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

Stakeholders Relationship Committee of the Directors of the Company inter-alia deal with matters relating to transfer/transmission of its Equity Shares and ensure that transfers are registered within maximum of 15 days from the date of receipt provided documents are complete in all respects. All Share Transfers were approved by the Company Secretary under the authority delegated to him.

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

Distribution of Equity Shareholding

Following is the distribution of Company's Equity Shares as on 31st March 2019.

Category	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Promoter's Holding*	7	0.06	26,104,774	72.43
- Indian Promoters	6	0.05	20,514,618	56.92
- Foreign Promoter	1	0.01	5,590,156	15.51
Financial Institutions/Banks/Mutual Funds/UTI	9	0.07	5,843,147	16.21
Foreign Institutional Investors/Foreign Portfolio Investors	1	0.01	69	0.00
NBFCs registered with RBI	1	0.01	19	0.00
NRIs/Clearing Member/Trust	191	1.49	74,164	0.21
Private Body Corporate	122	0.95	481,016	1.34
Investor Education and Protection Fund Authority	1	0.01	399,593	1.11
Individuals	12,436	97.40	3,136,530	8.70
Total	12,768	100.00	36,039,312	100.00

* Not pledged or otherwise encumbered in any manner.

Number of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 500	11,940	93.51	1,512,939	4.20
501 to 1000	415	3.25	343,332	0.95
1001 to 2000	202	1.58	309,628	0.86
2001 to 3000	85	0.67	215,630	0.60
3001 to 4000	29	0.23	105,620	0.29
4001 to 5000	21	0.16	99,451	0.28
5001 to 10000	37	0.29	270,772	0.75
10001 and above	39	0.31	33,181,940	92.07
Total	12,768	100.00	36,039,312	100.00

Dematerialisation of Shares and Liquidity

Equity Shares of the Company having ISIN : INE133Y01011 are available for dematerialisation with Depositories, NSDL and CDSL and following is the distribution in physical and electronic mode as on 31st March 2019.

	Number of Shares	% of Total Equity Shares
In DEMAT with		
- NSDL	34,473,093	95.65
- CDSL	727,441	2.02
In Physical	838,778	2.33

8. Unclaimed Dividend/Shares

The Company has not declared Dividend except for FY 2016-2017 and FY 2017-2018 on 23rd December 2017 and 25th August 2018, unclaimed/unpaid amount whereof will fall due for transfer to Investor Education and Protection Fund (IEPF) in February 2025 and October 2025 respectively.

The Company has on 12th October 2018 transferred unclaimed/unpaid dividend declared for payment by erstwhile IFGL Refractories Limited (Transferor Company), since merged with the Company, for FY 2010-2011 to IEPF following provisions of Section 124(5) of the Act read with Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). Details of such unclaimed/unpaid dividend transferred have been hosted on Company's website www.ifglref.com and claims in respect thereof may be lodged online in www.iepf.gov.in following requisite procedures.

Going forward, unclaimed/unpaid of following dividends declared by the Transferor Company will fall due for transfer to IEPF. Table

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

below give information relating to outstanding dividends declared by the Transferor Company and dates by which are required to be transferred to IEPF. Particulars of persons entitled to said unpaid/unclaimed dividends are appearing on Company's website www.ifglref.com and claims in respect thereof may either be sent to the Company or its Registrar and Share Transfer Agent. Unclaimed/unpaid dividend declared by the Transferor Company for FY 2011-2012 will fall due for transfer to IEPF in October 2019.

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

* Indicative dates. Actual dates may vary.

Following provisions of Section 124(6) of the Act read with Rule 6 of IEPF Rules, the Company has on 23rd October 2018 and 25th October 2018 transferred 42,017 Equity Shares of ₹ 10/- each fully paid up of the Company of 345 holders thereof to Demat Account of IEPF Authority. Relevant particulars of Equity Shares transferred have been hosted on Company's website www.ifglref.com. Procedure for re-claiming said Equity Shares from IEPF Authority has also been hosted on Company's website. Shares with respect to which dividend declared by Transferor Company for seven consecutive financial years including FY 2011-2012 remain unpaid or unclaimed, will fall due for transfer to IEPF in October 2019.

9. Status of Adoption of the Non Mandatory Requirements :

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

Executive Chairman and Managing Director of the Company are Mr S K Bajoria and Mr P Bajoria respectively.

Audit Qualification

There is no qualification made by Statutory Auditors on Financial Statements of the FY under review.

Other Items

Text in compliance of Regulation 33 of SEBI LODR, 2015 has been published by the Company in English and Vernacular Newspapers, filed with BSE and NSE and also hosted on its website. Internal Auditor of the Company reported to Executive Directors and their Quarterly Reports mandatorily placed before the Audit Committee for discussion.

The Company has implemented relevant and applicable provisions of the Act and Rules framed thereunder and also SEBI LODR, 2015.

10. Auditors' Certificate on Corporate Governance

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

Certificate as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined relevant records and documents of IFGL Refractories Limited (CIN : L51909OR2007PLC027954) for the purpose of issuing this Certificate as required under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and on the basis of such checks which to the best of our knowledge and belief were necessary for the purpose thereof and on the basis of information and explanations given to us and according to the examinations carried out by us, we do hereby certify that in our opinion and according to the best of our information and belief :

None of the Directors on the Board of IFGL Refractories Limited is debarred or disqualified from being appointed or continuing as Director thereof by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority.

(S. M. Gupta)

Partner

S. M. Gupta & Co.

Company Secretaries

Firm Registration No : P1993WB046600

FCS No : 896

CP No : 2053

Kolkata

9th May 2019

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

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

DECLARATION

As required under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that affirmation for compliance of Code of Conduct has been received from all the Board Members and Senior Management Personnel i.e. Employees in the grades of General Manager and above of the Company for financial year ended 31st March 2019.

Kolkata
11th May 2019

P Bajoria
(DIN : 00084031)
Managing Director

Independent Auditor's Report on Corporate Governance

TO THE MEMBERS OF IFGL REFRACTORIES LIMITED (FORMERLY KNOWN AS IFGL EXPORTS LIMITED)

1. This report is issued in accordance with the terms of our engagement letter dated 24th September 2018.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of IFGL Refractories Limited (Formerly known as IFGL Exports Limited) ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2019, as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the Listing Regulations).

Managements' Responsibility

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

Auditor's Responsibility

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

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we report that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations as amended from time to time during the year ended 31st March 2019.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 302009E)
Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata
11th May 2019

Annexure 'B' to Directors' Report - MGT 9

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March 2019

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

I. Registration & Other Details

1.	CIN	L51909OR2007PLC027954
2.	Registration Date	07.09.2007
3.	Name of the Company	IFGL Refractories Limited (Formerly known as IFGL Exports Limited)
4.	Category/Sub Category of the Company	Listed Public Limited Company
5.	Address of the Registered Office & Contact Details	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770031, Dist. Sundergarh, Odisha Tel : +91 661 2660195, Fax : +91 661 2660173 E-mail : ifgl.works@ifgl.in
6.	Whether Listed Company	Yes on BSE Limited and National Stock Exchange of India Limited
7.	Name, Address & Contact Details of the Registrar & Transfer Agent, if any	Maheshwari Datamatics Private Limited (MDPL) Registered Office : 23, R N Mukherjee Road, 5th Floor, Kolkata - 700001 Tel : +91 33 22482248, Fax : +91 33 22484787 E-mail : mdpldc@yahoo.com

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

Sl. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	Manufacture and Sale of Refractory Mortars, Refractory Ceramic Products etc	2391	89.49
2.	Trading	-	8.83

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
1.	Bajoria Financial Services Private Limited, India	U67120WB2006PTC111974	Holding Company	51.21	2(46)
2.	IFGL Worldwide Holdings Limited, Isle of Man	NA	Subsidiary Company	100	2(87)
3.	IFGL Monocon Holdings Limited, UK	NA	Step down Subsidiary	100	2(87)
4.	Monocon International Refractories Limited, UK	NA	Step down Subsidiary	100	2(87)
5.	Monocon Overseas Limited, UK	NA	Step down Subsidiary	100	2(87)
6.	Mono Ceramics Inc., USA	NA	Step down Subsidiary	100	2(87)
7.	Monotec Refratarios Ltda, Brazil	NA	Step down Subsidiary	95	2(87)
8.	Tianjin Monocon Refractories Company Limited, PRC	NA	Step down Subsidiary	100	2(87)
9.	Tianjin Monocon Aluminious Refractories Company Limited, PRC	NA	Step down Subsidiary	100	2(87)
10.	Goricon Metallurgical Services Limited, UK	NA	Step down Subsidiary	100	2(87)
11.	IFGL GmbH, Germany	NA	Step down Subsidiary	100	2(87)
12.	Hofmann Ceramic GmbH, Germany	NA	Step down Subsidiary	100	2(87)
13.	Hofmann Ceramic CZ s.r.o., Czech Republic	NA	Step down Subsidiary	98.78	2(87)
14.	IFGL Inc., USA	NA	Step down Subsidiary	100	2(87)
15.	EI Ceramics LLC, USA	NA	Step down Subsidiary	100	2(87)

Note : Hofmann Ceramic Limited, UK dissolved w.e.f 5th February 2019

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

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

(i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	2,059,995	-	2,059,995	5.71	2,059,995	-	2,059,995	5.71	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	18,454,623	-	18,454,623	51.21	18,454,623	-	18,454,623	51.21	0.00
e) Banks/FI's	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	20,514,618	-	20,514,618	56.92	20,514,618	-	20,514,618	56.92	0.00
2. Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	5,590,156	-	5,590,156	15.51	5,590,156	-	5,590,156	15.51	0.00
d) Banks/FI's	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(2)	5,590,156	-	5,590,156	15.51	5,590,156	-	5,590,156	15.51	0.00
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	26,104,774	-	26,104,774	72.43	26,104,774	-	26,104,774	72.43	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2,148,817	2,030	2,150,847	5.97	5,838,512	2,030	5,840,542	16.21	10.24
b) Banks/FI's	821	2,605	3,426	0.01	-	2,605	2,605	0.00	(0.00)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)									
- Foreign Porfolio Investors	14,670	-	14,670	0.05	69	-	69	0.00	(0.04)
Sub Total (B)(1)	2,164,308	4,635	2,168,943	6.03	5,838,581	4,635	5,843,216	16.21	10.19
2. Non Institutions									
a) Bodies Corporate									
i) Indian	2,381,901	14,830	2,396,731	6.65	467,756	13,260	481,016	1.34	(5.31)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding Nominal Share Capital upto ₹ 1 lac	2,423,270	1,025,618	3,448,888	9.57	1,880,201	820,848	2,701,049	7.49	(2.08)
ii) Individual Shareholders holding Nominal Share Capital in excess of ₹ 1 lac	1,311,915	13,000	1,324,915	3.68	435,481	-	435,481	1.21	(2.47)

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

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (Specify)									
i) Non Resident Indians	149,310	3,535	152,845	0.42	58,018	35	58,053	0.16	(0.26)
ii) Clearing Members	82,807	–	82,807	0.23	15,779	–	15,779	0.04	(0.19)
iii) Trusts	–	–	–	–	332	–	332	0.00	0.00
iv) NBFCs registered with RBI	1,763	–	1,763	0.00	19	–	19	0.00	(0.00)
v) Investor Education and Protection Fund Authority	357,646	–	357,646	0.99	399,593	–	399,593	1.11	0.12
Sub Total (B)(2)	6,708,612	1,056,983	7,765,595	21.54	3,257,179	834,143	4,091,322	11.35	(10.19)
Total Public Shareholding (B)=(B)(1)+(B)(2)	8,872,920	1,061,618	9,934,538	27.57	9,095,760	838,778	9,934,538	27.57	0.00
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	34,977,694	1,061,618	36,039,312	100.00	35,200,534	838,778	36,039,312	100.00	0.00

(ii) Shareholding of Promoters of the Company

Sl. No.	Shareholder's Name	Shareholdings at the beginning of the year			Shareholding at the end of the Year			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
	Indian Promoter							
	<i>Individuals/HUF</i>							
1.	S K Bajoria	1,481,642	4.11	–	1,481,642	4.11	–	0.00
2.	Smita Bajoria	44,613	0.12	–	44,613	0.12	–	0.00
3.	Mihir Bajoria	218,745	0.61	–	218,745	0.61	–	0.00
4.	S K Bajoria & Others (HUF)	314,995	0.87	–	314,995	0.87	–	0.00
	(A)	2,059,995	5.71	–	2,059,995	5.71	–	0.00
	<i>Bodies Corporate</i>							
5.	Bajoria Financial Services Private Limited*	18,454,353	51.21	–	18,454,353	51.21	–	0.00
6.	Bajoria Enterprises Limited	270	0.00	–	270	0.00	–	0.00
	(B)	18,454,623	51.21	–	18,454,623	51.21	–	0.00
	Foreign Promoter							
	<i>Bodies Corporate</i>							
7.	Krosaki Harima Corporation, Japan (C)	5,590,156	15.51	–	5,590,156	15.51	–	0.00
	Total (A+B+C)	26,104,774	72.43	–	26,104,774	72.43	–	0.00

*Following passing of an Order on 13th March 2018 by Hon'ble National Company Law Tribunal, Kolkata Bench by virtue whereof Non-banking Financial Institution activities of Bajoria Holdings Private Limited (CIN : U67120WB1983PTC036590) got demerged and merged with that of Bajoria Financial Services Private Limited (CIN : U67120WB2006PTC111974) effective 15th March 2018.

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

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

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
a)	At the beginning of the year	26,104,774	72.43		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			26,104,774	72.43

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1.	HDFC Small Cap Fund				
a)	At the beginning of the year	190,700	0.53		
b)	Changes during the year				
	Bought during the year	2,406,210	6.68	2,596,910	7.21
	Sold during the year	–	–		
c)	At the end of the year			2,596,910	7.21
2.	L&T Mutual Fund Trustee Limited - L&T Emerging Businesses Fund				
a)	At the beginning of the year	974,587	2.70		
b)	Changes during the year				
	Bought during the year	1,055,437	2.93	2,030,024	5.63
	Sold during the year	–	–		
c)	At the end of the year			2,030,024	5.63
3.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life				
a)	At the beginning of the year	389,861	1.08		
b)	Changes during the year				
	Bought during the year	255,912	0.71	645,773	1.79
	Sold during the year	–	–		
c)	At the end of the year			645,773	1.79
4.	DSP Small Cap Fund				
a)	At the beginning of the year	541,935	1.50		
b)	Changes during the year				
	Bought during the year	23,870	0.07	565,805	1.57
	Sold during the year	–	–		
c)	At the end of the year			565,805	1.57
5.	Investor Education and Protection Fund Authority Ministry of Corporate Affairs				
a)	At the beginning of the year	357,646	0.99		
b)	Changes during the year				
	Transferred to the Fund	42,017	0.12	399,663	1.11
	Transferred from the Fund	(70)	(0.00)	399,593	1.11
c)	At the end of the year			399,593	1.11

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
6.	Ithoughtwealth Analytics LLP				
a)	At the beginning of the year	85,303	0.24		
b)	Changes during the year				
	Bought during the year	206,531	0.57	291,834	0.81
	Sold during the year	(40,000)	(0.11)	251,834	0.70
c)	At the end of the year			251,834	0.70
7.	Akshay Bajoria*				
a)	At the beginning of the year	83,000	0.23		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			83,000	0.23
8.	Neera Handa*				
a)	At the beginning of the year	24,010	0.07		
b)	Changes during the year				
	Bought during the year	20,898	0.06	44,908	0.13
	Sold during the year	-	-		
c)	At the end of the year			44,908	0.13
9.	Chandurkar Investments Private Limited*				
a)	At the beginning of the year	51,290	0.14		
b)	Changes during the year				
	Bought during the year	-	-		
	Sold during the year	(15,290)	(0.04)	36,000	0.10
c)	At the end of the year			36,000	0.10
10.	Dotch Sales Private Limited				
a)	At the beginning of the year	90,000	0.25		
b)	Changes during the year				
	Bought during the year	-	-		
	Sold during the year	(65,000)	(0.18)	25,000	0.07
c)	At the end of the year			25,000	0.07
11.	SKS Capital & Research Private Limited*				
a)	At the beginning of the year	-	-		
b)	Changes during the year				
	Bought during the year	50,114	0.14	50,114	0.14
	Sold during the year	(25,114)	(0.07)	25,000	0.07
c)	At the end of the year			25,000	0.07
12.	Dhanlakhmi Vyapaar Private Limited#				
a)	At the beginning of the year	952,142	2.64		
b)	Changes during the year				
	Bought during the year	-	-		
	Sold during the year	(952,142)	(2.64)	-	-
c)	At the end of the year			-	-

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

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
13.	Santosh Tour & Travels Private Limited#				
a)	At the beginning of the year	702,038	1.95		
b)	Changes during the year				
	Bought during the year	–	–		
	Sold during the year	(702,038)	(1.95)	–	–
c)	At the end of the year			–	–
14.	S. Shyam#				
a)	At the beginning of the year	155,433	0.43		
b)	Changes during the year				
	Bought during the year	–	–		
	Sold during the year	(155,433)	(0.43)	–	–
c)	At the end of the year			–	–

*As on 31st March 2019

#As on 1st April 2018

Note : Datewise details of increase/decrease hosted on Company's website i.e. www.ifglref.com

(v) Shareholding of Directors and Key Managerial Personnel of the Company

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	S K Bajoria, Chairman				
a)	At the beginning of the year	1,481,642	4.11		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			1,481,642	4.11
2.	P Bajoria, Managing Director				
a)	At the beginning of the year	61,270	0.17		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			61,270	0.17
3.	K Sarda, Director and Chief Executive Officer				
a)	At the beginning of the year	2,000	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			2,000	0.00
4.	D G Rajan, Independent Director				
a)	At the beginning of the year	390	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			390	0.00
5.	R Agarwal, Company Secretary				
a)	At the beginning of the year	2,319	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			2,319	0.00

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

(₹ in lacs)

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	8,999.40	–	–	8,999.40
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	9.00	–	–	9.00
Total (i+ii+iii)	9,008.40	–	–	9,008.40
Change in Indebtedness during the Financial Year				
- Addition	–	–	–	–
- Reduction	2,269.64	–	–	2,269.64
Net Change	(2,269.64)	–	–	(2,269.64)
Indebtedness at the end of the Financial Year				
i) Principal Amount	6,734.92	–	–	6,734.92
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	3.84	–	–	3.84
Total (i+ii+iii)	6,738.76	–	–	6,738.76

VI. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		S K Bajoria, Chairman	P Bajoria, Managing Director	K Sarda, Director & CEO	
1.	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	144.00	230.40	90.39	464.79
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	32.45*	49.60*	6.41**	88.46
	c) Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	–	–	–	–
2.	Stock Option	–	–	–	–
3.	Sweat Equity	–	–	–	–
4.	Commission				
	- as % of Profit	37.76	37.76	–	75.52
	- Others, Specify	–	–	–	–
5.	Others, please specify				
	- Contribution to Provident Fund	–	23.04	4.28	27.32
	- Gratuity	–	53.35	1.39	54.74
	Total	214.21	394.15	102.47	710.83
	Celling as per the Act	Limit specified at Section II of Part II of Schedule V of the Act			

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

**Including monetary value of Perquisites not taxable but excluding ₹ 0.07 on account of Motor Car.

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

(₹ in lacs)

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of the Directors						Total Amount
		D K Banerji	S Khasnobis	Prof S Munshi	D G Rajan	Prof B Ray	KSB Sanyal	
1.	Independent Directors							
	Fee for attending Board/Committee Meetings	1.50	0.60	0.80	1.00	0.95	1.45	6.30
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	1.50	0.60	0.80	1.00	0.95	1.45	6.30
2.	Other Non-Executive Directors							
	Fee for attending Board/Committee Meetings	0.20	0.20					0.40
	Commission	-	-					-
	Others, please specify	-	-					-
	Total (2)	0.20	0.20					0.40
	Total (1+2)	1.70	0.80	0.80	1.00	0.95	1.45	6.70
	Total Managerial Remuneration							6.70
	Overall Ceiling as per the Act	Sitting Fee paid is within limit prescribed at Section 197 of the Act						

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

Sl. No.	Particulars of Remuneration	Key Managerial Remuneration		Total Amount
		R Agarwal, Company Secretary	S Yadav, Chief Financial Officer	
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	87.57	62.02	149.59
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	9.10	8.13	17.23
	c) Profits in lieu of Salary u/s 17(3) of the Income Tax Act, 1961	-	-	
2.	Stock Option	-	-	
3.	Sweat Equity	-	-	
4.	Commission			
	- as % of Profit	-	-	
	- Others, specify	-	-	
5.	Others, please specify			
	- Contribution to Provident Fund	2.56	0.22	2.78
	- Gratuity	4.29	0.14	4.43
	Total	103.52	70.51	174.03

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

(₹ in lacs)

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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

Annexure 'C' to Directors' Report

Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for financial year ended on 31st March 2019

A. Conservation of Energy

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

Energy conservation and utilization of alternate energy is one of the priorities of your Company. From time to time your Company replaced systems, equipments, appliances etc with those of higher energy efficiency. Steps have also been taken to harness Solar Energy for utilization in common utility areas. Systems and procedures have been set up for close monitoring of energy utilization and avoidance of wastage thereof by improved processes.

B. Technology Absorption

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

Your Company has set up in-house R&D facility at its manufacturing facilities at Kalunga Industrial Estate, Odisha (India) and those of Step down Subsidiaries at Cincinnati, USA and Breitscheid-Erdbach, Germany. In these facilities, amongst others, work on new products, improvement of product quality and performance, development of raw materials, up-gradation and substitutes, production capacity utilization and other important areas like customers satisfaction, competitiveness, cost control etc are regularly undertaken. Issues faced on areas particularly production, quality control, application etc are referred to these facilities. Outcomes thereof and on-site experience gathered by Technical Personnel of your Company together with inputs received from other stakeholders including technology providers, enable your Company to continue to be a prominent player in the products your Company is operating in.

During last 3 FYs including FY 2018-2019, your Company did not import any technology. Your Company however through in-house R&D activities developed three plate Slide Gate System and Thin Slag SEN (said to be highest level of CC Refractories) and stabilised production of Zirconia Products.

Expenditure incurred on R&D activities are not captured separately by your Company as they are an integral part of overall activities.

C. Foreign Exchange Earnings and Outgo

Total Foreign Exchange used and earned :

(₹ in Millions)

	31st March 2019	31st March 2018
1. Foreign Exchange Outgo		
i) CIF Value of Imports of Raw Materials, Stores and Spares, Trading Items and Capital Goods	1,260.35	1,634.12
ii) Others	171.16	148.58
2. Foreign Exchange Earnings		
FOB Value of Exports	2,560.98	2,527.09

Annexure 'D' to Directors' Report

Statement (Form AOC 1) Containing Salient Features of Financial Statements of Subsidiaries as at 31st March 2019
 [Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]
 (₹ in lacs)

Subsidiary's Name and Currency	Financial Year ending on	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend	% of Shareholding
Subsidiary												
IFGL Worldwide Holdings Limited, Isle of Man, (GBP)	31st March	5,731.51	5,834.99	6,227.13	5.79	-	-	318.59	-	318.59	-	100
Step Down Subsidiaries												
EI Ceramics LLC, USA (USD)	31st March	971.45	4,202.43	7,568.73	2,394.86	-	13,814.44	1,821.72	301.93	1,519.79	-	100
Goricon Metallurgical Services Limited, UK (GBP)	31st March	54.16	506.74	568.03	7.13	-	36.59	49.87	9.43	40.44	-	100
Hofmann Ceramic CZ s.r.o. Czech Republic (Euro)*	31st March	53.76	(444.52)	253.60	644.36	-	1,022.66	(26.32)	0.12	(26.44)	-	98.78
Hofmann Ceramic GmbH, Germany (Euro)	31st March	38.91	3,502.21	6,089.64	2,664.85	-	8,482.38	(437.57)	(1.68)	(435.89)	-	100
Hofmann Ceramic Limited, UK (GBP)**	31st March	-	-	-	-	-	-	-	-	-	-	-
IFGL GmbH, Germany (Euro)	31st March	4,857.68	6.80	35.19	24.46	-	-	(4.07)	-	(4.07)	-	100
IFGL Inc., USA (USD)	31st March	2,777.20	4,641.84	24.48	284.66	-	-	835.31	-	835.31	-	100
IFGL Monocon Holdings Limited, UK (GBP)	31st March	4,513.00	-	-	22.57	-	-	-	-	-	-	100
Mono Ceramics Inc., USA (GBP)	31st March	2,352.23	3,716.53	4,584.12	951.56	-	5,655.28	(141.27)	(36.73)	(104.54)	-	100
Monocon International Refractories Limited, UK (GBP)	31st March	0.09	12,190.15	12,634.08	9,139.56	-	18,459.19	1,085.80	210.13	875.67	-	100
Monocon Overseas Limited, UK (GBP)	31st March	0.90	7,244.39	4.12	655.93	-	-	(0.14)	-	(0.14)	-	100
Monotec Refratarios Ltda, Brazil (GBP)*	31st December	248.19	(248.19)	-	-	-	-	-	-	-	-	95
Tianjin Monocon Aluminous Refractories Company Limited, PRC (GBP)*	31st December	468.39	753.13	1,354.60	133.08	-	2,796.87	283.06	75.84	207.22	-	100
Tianjin Monocon Refractories Company Limited, PRC (GBP)*	31st December	126.36	639.52	1,205.98	440.09	-	4,839.92	519.52	136.02	383.50	-	100

*Reporting currencies of these Subsidiaries have been converted in Euro/GBP for convenience

**Hofmann Ceramic Limited, UK dissolved w.e.f 5th February 2019

NOTES :

- Balance Sheet figures have been converted into Indian Rupees by applying year end Foreign Exchange Closing Rate of ₹ 77.81 equivalent to 1 Euro, ₹ 90.26 equivalent to 1 GBP and ₹ 69.43 equivalent to 1 USD. Profit and Loss figure have however been converted into Indian Rupees by using Average Exchange Rate of ₹ 80.92 equivalent to 1 Euro, ₹ 91.56 equivalent to 1 GBP and ₹ 69.61 equivalent to 1 USD.
- Investment exclude investments made in Subsidiary Companies.
- The Company neither had nor have Associate/Joint Ventures.
- Reporting period of Subsidiaries is mentioned at Note 2.2 of Consolidated Financial Statements.
- During the year, Dividend amounting to ₹ 122.25 and ₹ 204.73 received by IFGL Worldwide Holdings Limited from Tianjin Monocon Aluminous Refractories Company Limited and Tianjin Monocon Refractories Company Limited respectively.

Kolkata
11th May 2019

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kamal Sarda
Director and
Chief Executive Officer
(DIN : 03151258)

P Bajoria
Managing Director
(DIN : 00084031)

S K Bajoria
Chairman
(DIN : 00084004)

Annexure 'E' to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for Financial Year 2018-2019

1 & 2.	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and composition of CSR Committee.	Following practices hitherto in place, the Company pursued CSR activities mentioned in brief hereinafter in areas neighbouring its manufacturing facilities through Implementing Agency, IFGL Refractories Welfare Trust, registered with and also having Section 80G recognition of the Income Tax Act, 1961. Company's CSR Policy is hosted on its website www.ifglref.com . Details of CSR Committee including its role and responsibilities, are given at Para 3 of the Corporate Governance Report.
3.	Average Net Profit of the Company for last three Financial Years	₹ 1,768.33 lacs
4.	Prescribed CSR expenditure (two percent of the amount mentioned in item 3 above)	₹ 35.37 lacs
5.	Details of CSR spent during the Financial Year :	
	a) Total amount to be spent for the Financial Year	₹ 35.40 lacs
	b) Amount unspent, if any	Not applicable
	c) Manner in which the amount spent during Financial Year	

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads : 1. Direct expenditure on projects or programs 2. Over heads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	2	3	4	5	6	7	8
1.	a) Priyadarshini UP School	Eductaion	P.O. Kalunga, Dist. Sundergarh, Odisha	Open	₹ 5.19 lacs	*	Through Implementing Agency
	b) Kalunga Shilpanchala Bidyalaya			Open	₹ 5.86 lacs	*	
2.	a) Free Allopathy Clinic	Health care including preventive health care	Dist. Sundergarh, Odisha	Open	₹ 2.96 lacs	*	
	b) Free Homeopathic Clinic			Open	₹ 1.08 lacs	*	
	c) Free bed at Rajasthan Seva Sadan			Open	₹ 1.20 lacs	*	

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

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub heads : 1. Direct expenditure on projects or programs 2. Over heads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	2	3	4	5	6	7	8
3.	a) IDC Sulabh Souchalaya at Kalunga Industrial Estate	Sanitation	Dist. Sundergarh, Odisha	Open	₹ 1.04 lacs	*	Through Implementing Agency
	b) Souchalaya at Kilinga Oram Basti			Open	₹ 0.41 lacs	*	
	c) IDC Souchalaya at Kharatola Jhartarang			Open	₹ 0.29 lacs	*	
4.	Contribution to Enrico Piperno Tennis Trust	Sport	Kolkata, India	Open	₹ 3.60 lacs	*	
5.	Others	Charitable Contributions	PAN India	Open	₹ 20.62 lacs	*	

*Expenses incurred during FY 2018-2019 for on-going handholding.

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

Kolkata
11th May 2019

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

Prof B Ray
(DIN : 06965340)
Chairperson, CSR Committee

Annexure 'G' to Directors' Report

**FORM NO. MR 3
SECRETARIAL AUDIT REPORT**

For Financial Year ended on 31st March 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

TO THE MEMBERS

IFGL Refractories Limited (Formerly known as IFGL Exports Limited)

Regd Office : Sector - 'B', Kalunga Industrial Estate,
P.O. Kalunga - 770031, Dist : Sundargarh, Odisha
(CIN : L51909OR2007PLC027954)

We have conducted Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices by IFGL REFRACTORIES LIMITED (the Company). Secretarial Audit has been conducted in accordance with Guidance Note issued by the Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and read with the Statutory Auditors' Report on Financial Statements and Compliance of the conditions of Corporate Governance and also information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the Company has, during the audit period covering the financial year ended on 31st March 2019 generally complied with applicable statutory provisions listed hereunder to the extent applicable and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for financial year ended on 31st March 2019 according to the applicable provisions of :

1. The Companies Act, 2013 (the Act) and the Rules made thereunder.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) to the extent applicable to the Company.
5. Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company during the year :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – The Company did not issue securities during the year. Hence not attracted.

Annexure 'G' to Directors' Report (Contd.)

- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as replaced by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Nil
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Nil
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – The Company has duly appointed a SEBI authorised Category I Registrar and Share Transfer Agent as required under Law.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Nil
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Nil
6. The following other laws specifically applicable to the Company :
- a) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
 - b) The Contract Labour (Regulation and Abolition) Act, 1970
 - c) Explosives Act, 1884
 - d) The Environment (Protection) Act, 1986
 - e) The Water (Prevention and Control of Pollution) Act, 1974
7. We have also examined compliance with applicable clauses of the following :
- Secretarial Standards issued by The Institute of Company Secretaries of India.
 - The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
8. We further report that during the year under review :
- i) Unpaid/Unclaimed Dividend pertaining to financial year ended on 31st March 2011, aggregating to ₹ 369,210 was transferred to Investor Education and Protection Fund (IEPF) on 12th October 2018. Following provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, 42,017 unclaimed Equity Shares of the Company were transferred to IEPF and IEPF-4 for the same was filed on 26th October 2018.
 - ii) ₹ 35.37 lacs was required to be spent on CSR activities and whole of said amount was given to the implementing agency, IFGL Refractories Welfare Trust.
 - iii) Company's Step down Subsidiary being Hofmann Ceramic Limited, UK got dissolved on 5th February 2019.
9. We further report that as far as we have been able to ascertain –
- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - b. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - d. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
 - e. As informed to us, during the audit period the Company has had no other events except those already informed to the stock exchanges as required under the Listing Regulations.
 - f. The events reported by us in our last Report have not been repeated here.

Annexure 'G' to Directors' Report (Contd.)

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

(S. M. Gupta)

Partner

S. M. Gupta & Co.

Company Secretaries

Firm Registration No : P1993WB046600

FCS No : 896

CP No : 2053

Kolkata

11th May 2019

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

Annexure A

TO THE MEMBERS

IFGL Refractories Limited (Formerly known as IFGL Exports Limited)

Regd Office : Sector - 'B', Kalunga Industrial Estate,

P.O. Kalunga - 770031, Dist : Sundargarh, Odisha

(CIN : L51909OR2007PLC027954)

Our Secretarial Audit Report for financial year ended 31st March 2019 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
2. We have followed audit practices and processes considered to be appropriate to obtain reasonable assurance about fairness of the contents of the secretarial records. The verification was done on test basis to ensure that facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedure on test basis to the extent applicable to the Company.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

(S. M. Gupta)

Partner

S. M. Gupta & Co.

Company Secretaries

Firm Registration No : P1993WB046600

FCS No : 896

CP No : 2053

Kolkata

11th May 2019

Independent Auditor's Report

**TO THE MEMBERS OF
 IFGL REFRACTORIES LIMITED (Formerly known as IFGL EXPORTS LIMITED)**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of IFGL Refractories Limited (Formerly known as IFGL Exports Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2019 and the Statement of Profit and Loss (including Other Comprehensive Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019 and its Profit, Other Comprehensive Loss, its Cash Flows and the Changes in Equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 37 to the Standalone Ind AS Financial Statements, relating to amalgamation of the erstwhile IFGL Refractories Limited with the Company with effect from 1st April 2016 following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) vide its Order dated 3rd August 2017 pursuant to Sections 230 and 232 of the Companies Act, 2013, which was accounted under the 'Purchase Method' as per Accounting Standard 14 - Accounting for Amalgamations (AS-14). Accordingly, the Company had recognised goodwill on amalgamation aggregating to ₹ 26,699 lacs which is being amortised over a period of 10 years. This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS) 103 - 'Business Combinations' for business combination of entities under common control.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	Revenue Recognition : The Company recognises revenue when control has been transferred to the customer as detailed out in the accounting policy Note 2.12. The Company has varied contract terms with customers for export sales. There is a risk of inappropriate revenue recognition if deliverables are recorded in the incorrect period or revenue is not accounted for in line with contractual terms with customers. The key audit matter focusses on recognition of revenue by reference to contracted shipping terms and the transfer of ownership for product and delivery spanning the year end.	Principal audit procedures performed : We obtained and understood controls instituted by the management to determine the appropriateness of revenue recorded at the period end and to ensure cut-off. We performed test of details for revenue transactions to confirm the revenue transactions have been appropriately recorded in the Statement of Profit and Loss and verified the underlying documents to establish that the control of the products have transferred to the customers.

Independent Auditor's Report (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
2.	<p>Goodwill arising on merger : The Company had recognised Goodwill amounting to ₹ 26,699 lacs on account of merger of erstwhile IFGL Refractories Limited with the Company as approved by the Hon'ble National Company Law Tribunal, Kolkata Bench vide Order dated 3rd August 2017. The goodwill so recognised is being amortised over a period of 10 years. The carrying value of the goodwill as on 31st March 2019 is ₹ 18,689 lacs. There is a risk that Cash Generating Units (CGUs) may not achieve the anticipated business performance to support the carrying value of these asset leading to an impairment charge that has not been recognised by the management. Significant management judgements and estimations are required in assessing the future cash flows of the CGUs.</p>	<p>Principal audit procedures performed : We obtained an understanding of controls instituted by the management to assess impairment indicators and tested the operation of the management controls over the impairment assessment process and preparation of impairment workings. Our audit procedures included challenging management on the appropriateness of the impairment models and reasonableness of the assumptions used and appropriateness of methodology used and assumptions made for determining the fair value of assets by performing the following : Assessing the reliability of cash flow forecasts and coherence with market trend through a review of actual past performance and comparison to previous forecasts; Testing the mathematical accuracy and performed sensitivity analysis in order to assess the potential impact of changes in the inputs used on the recoverable amount; Performing a detailed analysis of the revenue and cost projections and various assumptions relating to revenue growth and raw material cost estimations, comparing the future revenue projections and raw material cost projections based on the past actual figures to understand the appropriateness of the management estimates.</p>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' cum Management Discussion and Analysis Report, but does not include the Standalone Financial Statements and our Auditor's Report thereon.
- Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- Based on the work we have performed, we conclude that we have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's Financial Reporting process.

Independent Auditor's Report *(Contd.)*

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

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

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

Independent Auditor's Report (Contd.)

- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the Directors as on 31st March 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2019 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over Financial Reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, refer to Clause (xi) of our separate Report in "Annexure B".
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in Note 32 of the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata
11th May 2019

Annexure 'A' to the Independent Auditor's Report

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

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

We have audited the Internal Financial Controls over Financial Reporting of IFGL Refractories Limited (Formerly known as IFGL Exports Limited) ("the Company") as of 31st March 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy

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

and completeness of the accounting records and the timely preparation of reliable Financial Information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2019, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note.

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

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata
11th May 2019

Annexure 'B' to the Independent Auditor's Report

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

- i)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - b) The Property, Plant and Equipment were physically verified during the year by the management in accordance with a regular programme of verification, which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) With respect to immovable properties of acquired Land and Building, that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered conveyance deed/ orders approving schemes of arrangements provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the Balance Sheet date. In respect of immovable properties of Leasehold Lands which have been taken on lease and Buildings constructed by the Company at its own cost on such Leasehold Lands and disclosed as prepaid lease payments in the Standalone Financial Statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii) As explained to us, the Inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- iii) The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of Loans, making Investments and providing Guarantees and Securities, as applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and has no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 (for manufacture and sale of certain castable materials). We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of Statutory Dues :
 - a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it to the appropriate authorities.
 - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
 - c) Details of dues of Income Tax, Sales Tax and Service Tax, which have not been deposited as on 31st March 2019 on account of disputes are given below :

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lacs)	Amount unpaid (₹ in lacs)
Sales Tax Central Sales Tax Act, 1956	Sales Tax	Sales Tax Tribunal	1995-1996	5.14	1.14
	Sales Tax	Additional Commissioner of Sales Tax	1997-1998	1.97	0.47
	Sales Tax	Assistant Commissioner of Sales Tax	2003-2004	0.25	0.25
	Sales Tax	Additional Commissioner of Sales Tax	1st July 2006 to 31st March 2011	24.04	8.49
	Sales Tax	Additional Commissioner of Sales Tax	2014-2015	1.07	0.85
	Sales Tax	Additional Commissioner of Sales Tax	1st October 2015 to 31st March 2016	43.45	39.11
	Sales Tax	Additional Commissioner of Sales Tax	1st April 2016 to 30th June 2017	111.89	100.70

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

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount involved (₹ in lacs)	Amount unpaid (₹ in lacs)
Sales Tax					
Orissa Sales Tax Act, 1947	Sales Tax	Sales Tax Tribunal	1996-1997 and 1997-1998	39.91	39.91
	Sales Tax	High Court	1999-2000	2.02	0.11
	Total			229.74	191.03
Service Tax					
Service Tax Rules, 1994	Service Tax	Joint Commissioner of Central Excise, Customs & Service Tax	2006-2007	1.54	1.54
	Total			1.54	1.54
Income Tax					
The Income Tax Act, 1961	Income Tax Dues	Commissioner of Income Tax (Appeals)	AY 2012-2013, AY 2013-2014, AY 2014-2015	214.31	170.26
	Total			214.31	170.26

There are no disputed dues with respect to Custom Duty, Excise Duty, Value Added Tax, Cess and GST.

- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to any banks. The Company has not taken any loans or borrowings from any Financial Institutions or Government. The Company has not issued any debentures.
- ix) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of Initial Public Offer or further Public Offer (including Debt Instruments) or term loans during the year and hence reporting under clause (ix) of CARO 2016 is not applicable.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its Directors during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013 including amendments thereto.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its Directors or persons connected with him and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Abhijit Bandyopadhyay
 Partner
 (Membership No. 054785)

Kolkata
 11th May 2019

Standalone Balance Sheet as at 31st March 2019

(₹ in lacs)

	Note No.	As at 31st March 2019	As at 31st March 2018
A. ASSETS			
1. Non-Current Assets :			
a) Property, Plant and Equipment	4	7,349.45	6,205.46
b) Capital Work-in-Progress		580.04	272.52
c) Goodwill	5	18,689.61	21,359.56
d) Other Intangible Assets	6	33.68	87.30
e) Financial Assets :			
i) Investments	7	5,677.44	5,677.44
ii) Others	8	202.17	210.83
f) Deferred Tax Assets (Net)	9	502.91	447.65
g) Income Tax Assets (Net)	10	1,272.79	1,183.54
h) Other Non-Current Assets	11	839.75	1,071.35
Total Non-Current Assets		35,147.84	36,515.65
2. Current Assets :			
a) Inventories	12	8,672.00	5,049.17
b) Financial Assets :			
i) Investments	7	4,553.74	1,270.38
ii) Trade Receivables	13	14,057.54	20,695.95
iii) Cash and Cash Equivalents	14(A)	30.41	127.55
iv) Bank Balances other than (iii) above	14(B)	874.61	581.89
v) Others	8	36.45	93.83
c) Other Current Assets	11	686.12	1,048.19
Total Current Assets		28,910.87	28,866.96
Total Assets (1+2)		64,058.71	65,382.61
B. EQUITY AND LIABILITIES			
1. Equity :			
a) Equity Share Capital	15	3,603.93	3,603.93
b) Other Equity	16	46,998.17	45,308.87
Total Equity		50,602.10	48,912.80
LIABILITIES			
2. Non-Current Liabilities :			
a) Financial Liabilities :			
i) Borrowings	17	–	187.50
b) Provisions	18	24.59	23.56
Total Non-Current Liabilities		24.59	211.06
3. Current Liabilities :			
a) Financial Liabilities :			
i) Borrowings	19	6,547.42	8,558.99
ii) Trade Payables :			
- Total outstanding dues of Micro Enterprises and Small Enterprises	20	246.43	380.86
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	20	5,894.48	6,535.01
iii) Other Financial Liabilities	21	543.89	627.67
b) Other Current Liabilities	22	166.40	122.13
c) Provisions	18	33.40	34.09
Total Current Liabilities		13,432.02	16,258.75
Total Equity and Liabilities (1+2+3)		64,058.71	65,382.61

See accompanying Notes forming part of the Standalone Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kolkata
11th May 2019

Standalone Statement of Profit and Loss for the year ended 31st March 2019

(₹ in lacs)

	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I. REVENUE FROM OPERATIONS	23	47,912.72	44,725.67
II. Other Income	24	376.33	194.83
III. Total Income (I + II)		48,289.05	44,920.50
IV. EXPENSES :			
a) Cost of Materials Consumed	25	23,688.65	20,542.44
b) Purchases of Stock-in-Trade	26	3,875.76	2,171.98
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(2,877.17)	262.92
d) Excise Duty on Sale of Goods		-	397.32
e) Employee Benefits Expense	28	4,158.36	3,935.87
f) Finance Costs	29	409.79	357.27
g) Depreciation and Amortisation Expense	4, 5 & 6	3,887.02	3,797.21
h) Other Expenses	30	11,891.30	10,062.18
Total Expenses		45,033.71	41,527.19
V. PROFIT BEFORE TAX (III - IV)		3,255.34	3,393.31
VI. Tax Expense :			
1) Current Tax	39	714.27	763.56
2) Deferred Tax	39	(55.27)	385.68
3) Excess Provision of Tax relating to earlier years written back	39	-	(13.89)
Total Tax Expense		659.00	1,135.35
VII. PROFIT FOR THE YEAR (V - VI)		2,596.34	2,257.96
VIII. Other Comprehensive (Loss)/Income :			
i) Items that will not be recycled to Profit or Loss Remeasurements of the Defined Benefit Plans		(57.63)	49.19
ii) Income Tax relating to above item		19.54	(17.02)
Other Comprehensive (Loss)/Income		(38.09)	32.17
IX. Total Comprehensive Income for the year (VII + VIII)		2,558.25	2,290.13
X. Earnings per Equity Share :			
1) Basic (in ₹)	31	7.20	6.27
2) Diluted (in ₹)	31	7.20	6.27

See accompanying Notes forming part of the Standalone Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kolkata
11th May 2019

Standalone Cash Flow Statement for the year ended 31st March 2019

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
CASH FLOWS FROM OPERATING ACTIVITIES :		
Profit before Tax for the year	3,255.34	3,393.31
Adjustments for :		
Finance Costs	409.79	357.27
Interest Income	(160.24)	(99.70)
Liabilities no longer required Written Back	(0.97)	1.81
(Gain)/Loss on disposal of Property, Plant and Equipment	(5.84)	3.40
Gain on sale of Financial Assets	(68.11)	-
Net Gain arising on Financial Assets mandatorily measured at Fair Value through Profit or Loss	(141.96)	(80.60)
Sundry Debit Balances/Advances Written Off	15.76	26.34
Impairment (Reversal)/Loss recognised on Trade Receivables and Advances	(118.07)	181.03
Amortisation of Prepaid Rent	-	9.65
Depreciation and Amortisation Expense	3,887.02	3,797.21
Unrealised Foreign Exchange Loss	37.69	94.33
	7,110.41	7,684.05
Movements in Working Capital :		
Decrease/(Increase) in Trade and Other Receivables	7,240.85	(6,491.09)
(Increase) in Inventories	(3,622.83)	(620.09)
(Decrease)/Increase in Trade, Other Payables and Provisions	(854.04)	1,122.75
Cash generated from Operations	9,874.39	1,695.62
Income Taxes Paid	(803.53)	(735.68)
Net Cash generated by Operating Activities	9,070.86	959.94
CASH FLOWS FROM INVESTING ACTIVITIES :		
Payments to acquire Financial Assets	(6,474.50)	-
Proceeds on sale of Financial Assets	3,333.11	-
Funds placed in Bank Deposits	(225.24)	(508.50)
Interest Received	140.35	90.19
Payments for Property, Plant and Equipment, Other Intangibles and Capital Work-in-Progress	(2,551.57)	(1,589.62)
Proceeds from disposal of Property, Plant and Equipment	152.38	118.66
Net Cash (used in) Investing Activities	(5,625.47)	(1,889.27)

Standalone Cash Flow Statement for the year ended 31st March 2019 (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
CASH FLOWS FROM FINANCING ACTIVITIES :		
Dividend on Equity Share and Dividend Distribution Tax thereon	(868.95)	(867.53)
Repayment of Long-Term Borrowings	(252.91)	(252.99)
Proceeds from Short-Term Borrowings	819.92	3,775.53
Repayment of Short-Term Borrowings	(2,831.49)	(1,346.96)
Interest Paid	(409.10)	(366.08)
Net Cash (used in)/generated by Financing Activities	(3,542.53)	941.97
Net (Decrease)/Increase in Cash and Cash Equivalents	(97.14)	12.64
Cash and Cash Equivalents at the beginning of the year	127.55	114.91
Cash and Cash Equivalents at the end of the year [Refer Note 14(A)]	30.41	127.55

Note :

The above Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statements of Cash Flow".

See accompanying Notes forming part of the Standalone Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kamal Sarda
 Director and Chief Executive Officer
 (DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
 Chairman
 (DIN : 00084004)

P Bajoria
 Managing Director
 (DIN : 00084031)

Rajesh Agarwal
 Company Secretary
 (FCS : 2825)

Sikander Yadav
 Chief Financial Officer

Kolkata
 11th May 2019

Statement of Changes in Equity for the year ended 31st March 2019

(₹ in lacs)

	Number of Shares	Share Capital
a. Equity Share Capital		
Issued and Paid up Capital as at 31st March 2017	36,039,312	3,603.93
Balance as at 31st March 2018	36,039,312	3,603.93
Changes in Equity Share Capital during the year	–	–
Balance as at 31st March 2019	36,039,312	3,603.93

	Reserves and Surplus		Other Comprehensive (Loss)/Income	Total
	Securities Premium	Retained Earnings		
b. Other Equity				
Balance as at 31st March 2017	41,616.37	2,268.83	1.07	43,886.27
Add : Profits for the year	–	2,257.96	–	2,257.96
Less : Utilised for Dividend Payment	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(146.74)	–	(146.74)
Add : Other Comprehensive Income (Net of Tax)	–	–	32.17	32.17
Balance as at 31st March 2018	41,616.37	3,659.26	33.24	45,308.87
Add : Profits for the year	–	2,596.34	–	2,596.34
Less : Utilised for Dividend Payment	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(148.16)	–	(148.16)
Less : Other Comprehensive Loss (Net of Tax)	–	–	(38.09)	(38.09)
Balance as at 31st March 2019	41,616.37	5,386.65	(4.85)	46,998.17

In terms of our Report attached.
 For **DELOITTE HASKINS & SELLS**
 Chartered Accountants
Abhijit Bandyopadhyay
 Partner

Kolkata
 11th May 2019

Kamal Sarda
 Director and Chief Executive Officer
 (DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
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 Company Secretary
 (FCS : 2825)

P Bajoria
 Managing Director
 (DIN : 00084031)

Sikander Yadav
 Chief Financial Officer

Notes to the Standalone Financial Statements

(₹ in lacs)

1. GENERAL INFORMATION

IFGL Refractories Limited (formerly known as IFGL Exports Limited) (the “Company”) is a Public Limited Company and was incorporated under the Companies Act, 1956. The Company is primarily engaged in the manufacturing, trading and selling of Refractory items used in Steel plants. The Company also provides services in relation to refractory goods. Manufacturing facilities of the Company are located in Kandla Special Economic Zone (SEZ), Gujarat and Kalunga Industrial Estate near Rourkela, Odisha. The Company has operating Subsidiaries in Asia (China), in Europe (Germany and United Kingdom) and in North America (USA). The Company caters to both domestic and international markets. The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

2. SIGNIFICANT ACCOUNTING POLICIES :

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

2.1 Statement of Compliance

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. Upto the year ended 31st March 2017, the Company prepared its Financial Statements in accordance with the requirements of the previous Generally Accepted Accounting Principles (Previous GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

2.2 Basis of Preparation

The Financial Statements are prepared in accordance with the Historical Cost Convention, except for certain items (e.g. Financial Instruments) that are measured at fair values, as explained in the Accounting Policies.

Historical Cost is generally based on the Fair Value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the Fair Value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair Value for measurement and/or disclosure purposes in these Financial Statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 17 – Leases and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

2.3 Operating Cycle

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 III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of Assets and Liabilities.

2.4 Property, Plant and Equipment – Tangible Assets

Freehold Land is carried at Historical Cost. Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. The cost of an item of Property, Plant and Equipment comprises of its cost of acquisition inclusive of inward freight, import duties and other non-refundable taxes or levies and any other cost directly attributable to the acquisition/construction of those items. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying value of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the Standalone Statement of Profit or Loss when incurred. An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

For the unit in SEZ, Kandla, the Company has adopted the provisions of Para 46/46A of previous GAAP Accounting Standard 11.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

Exchange differences arising on restatement/settlement of long-term foreign currency borrowings relating to acquisition of depreciable Property, Plant and Equipment are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such Property, Plant and Equipment.

Capital Work-in-Progress is stated at cost (including borrowing cost, where applicable and adjustment for exchange difference), incurred during construction/installation/preoperative periods relating to items or project in progress.

2.5 Intangible Assets

Intangible Assets are recognised at the cost incurred for its acquisition and are carried at cost less amortisation and impairment, if any. Cost of Intangible Asset is capitalised where it is expected to provide future economic benefits and the cost can be measured reliably. Capitalisation Costs include license fees and costs of implementation/system integration services. The costs are capitalised in the year in which the related Intangible Asset is put to use.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Intangible Asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

Goodwill arising on Amalgamation has been recognised in accordance with the approved Scheme as detailed in Note 37. Said Goodwill is being amortised in accordance with the Scheme for which the Company has estimated useful life of 10 years. Such Goodwill will be tested for impairment at every reporting period and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of value in use and fair value less cost to sell. The Company uses discounted cash flow method to determine the recoverable amount. Cash flow projections take into account past experience and represent Management's best estimate about future developments.

2.6 Depreciation and Amortisation

Depreciation/Amortisation of Property, Plant and Equipment and Intangible Assets is calculated using Straight Line Method to allocate their costs, net of their residual values, over their estimated useful lives.

The useful lives considered is as prescribed in Schedule II to the Companies Act, 2013. The asset's residual values and useful lives are reviewed and adjusted if necessary, at the end of each reporting period.

Pro-rata depreciation/amortisation is charged on assets from/upto the date on which such assets are ready for intended use/are discarded or sold.

Computer Software is classified as Intangible Asset and amortised on a Straight Line basis over a period of 2 to 5 years.

2.7 Impairment of Assets

Impairment Loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

When an Impairment Loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no Impairment Loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an Impairment Loss is recognised immediately in Profit or Loss.

2.8 Inventories

Inventories are stated at lower of Cost and Net Realisable Value. The cost is calculated on Weighted Average Method. 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 based on normal level of activity. Net Realisable Value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective Inventories are identified periodically and, where necessary, a provision is made for such Inventories.

2.9 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non monetary items carried at Fair Value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the Fair Value

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

was determined. Non monetary items that are measured in terms of Historical Cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in Profit or Loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain Foreign Currency Risks.

2.10 Investment in Subsidiaries

Investment in Subsidiaries are carried at cost less accumulated impairment, if any.

2.11 Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments :

2.11.1 Financial Assets

Recognition : Financial Assets include Investments, Trade Receivables, Security Deposits, Cash and Cash Equivalents etc. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. All the Financial Assets are initially measured at Fair Value. Transaction Costs that are directly attributable to the acquisition of Financial Asset (other than Financial Assets carried at Fair Value through Profit or Loss) are added to or deducted from the Fair Value measured on initial recognition of the Financial Assets.

Classification : Management determines the classification of an Asset at initial recognition depending on the purpose for which the Assets were acquired. The subsequent measurement of Financial Assets depends on such classification.

Financial Assets are classified as those measured at :

- a) Amortised Cost, where the Financial Assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- b) Fair Value through Other Comprehensive Income (FVTOCI), where the Financial Assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at Fair Value, with unrealised gains and losses arising from changes in the Fair Value being recognised in Other Comprehensive Income.
- c) Fair Value through Profit or Loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the Fair Value of such assets. Such assets are subsequently measured at Fair Value, with unrealised gains and losses arising from changes in the Fair Value being recognised in the Standalone Statement of Profit and Loss in the period in which Trade Receivables, Security Deposits, Cash and Cash Equivalents etc are classified for measurement at amortised cost while Investments may fall under any of the aforesaid classes.

Impairment : The Company assesses at each reporting date whether a Financial Asset (or a group of Financial Assets) such as Investments, Trade Receivables and Security Deposits held at amortised cost and Financial Assets that are measured at Fair Value through Other Comprehensive Income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the Financial Asset has deteriorated significantly since initial recognition. For Trade Receivables, the Company provides for lifetime expected credit losses recognised from initial recognition of the receivables. For other Financial Assets, the impairment methodology is applied depending on whether there has been a significant increase in credit risk from initial recognition or not. In case of significant increase in credit risk, lifetime expected credit loss is provided, otherwise 12 months expected credit loss is provided.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected Financial Assets prospectively from the reclassification date as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income, Fair Value through Profit or Loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition : Financial Assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership.

Concurrently, if the asset is one that is measured at :

- a) Amortised Cost, the gain or loss is recognised in the Standalone Statement of Profit and Loss,
- b) Fair Value through Other Comprehensive Income, the cumulative Fair Value adjustments previously taken to reserves are reclassified to the Standalone Statement of Profit and Loss unless the asset represents an Equity Investment in which case the cumulative Fair Value adjustments previously taken to reserves is reclassified within Equity.

Income Recognition : Interest Income is recognised in the Standalone Statement of Profit and Loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the gross carrying amount of the Financial Asset. Dividend Income is recognised in the Standalone Statement of Profit and Loss when the right to receive Dividend is established and the amount can be measured reliably.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

2.11.2 Financial Liabilities

Borrowings, Trade Payables and other Financial Liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Standalone Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial Liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11.3 Equity Instruments

Equity Instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

2.11.4 Derivatives

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains/losses is recognised in the Standalone Statement of Profit and Loss immediately.

2.12 Revenue

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts. Accumulated experience is used to estimate and provide for the discounts/right of return, using the expected value method.

A refund liability is recognised for expected returns in relation to sales made corresponding assets are recognised for the products expected to be returned.

Interest Income is accounted for on accrual basis in time proportion inclusive of related tax deducted at source.

Export Incentives in the form of duty drawbacks and Status Holder Incentive Scrip (SHIC) are recognised on accrual basis against goods exported.

2.13 Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government Grants are recognised when there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached to the grant.

Accordingly, Export Benefits are accounted for as Government Grants in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.14 Employee Benefits :

Short Term Obligations

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related services are measured at the amounts expected to be paid. Liabilities are presented as current employee benefit obligations in the Financial Statements. Cost of non accumulating compensated absences are recognised when the absences occur.

Post Employment Obligations

The Company makes contributions to both Defined Benefit and Defined Contribution Schemes.

- i) Contributions towards Provident Fund are recognised as expense. Provident Fund contributions in respect of employees upto August 2017 of erstwhile IFGL Refractories Limited are made to a Trustee managed exempted Fund and interest paid to members thereof is not lower than that declared annually by the Central Government. Shortfall, if any, is made good by the Company. Membership to said Fund has been closed on and from 1st September 2017, subject to necessary approvals

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

and/or permissions. Provident Fund in respect of remaining employees are made to Statutory Provident Fund established by the Central Government. The Company's contribution is recognised as an expense in the Standalone Statement of Profit and Loss for the period in which the employees render related service.

- ii) Contribution under statutory Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.
- iii) Certain employees who joined before 31st March 2004 in erstwhile IFGL Refractories Limited are members of a Trustee managed Superannuation Fund. Said Fund provides for Superannuation Benefit on retirement/death/incapacitation/termination and was amended from the Defined Benefit to Defined Contribution Plan effective 1st April 2004. Defined Benefits were frozen on 31st March 2004. Necessary formalities and approvals have been complied with and obtained. Contribution to Superannuation Fund (Defined Contribution Plan) for certain employees is charged as expenses for the year.
- iv) The Company also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees which is a Defined Contribution Plan.
- v) The Company provides Gratuity Benefit to its employees. Employees of erstwhile IFGL Refractories Limited are provided Gratuity Benefits through a Trustee managed Fund, membership whereof has been closed on and from 1st September 2017 and awaiting merger with that of similar Fund of the Company, subject to necessary approvals and permissions. Gratuity entitlement of the employees is as per provisions of the Payment of Gratuity Act, 1972. However, in case of employees joining before 1st April 2003 of erstwhile IFGL Refractories Limited, they are entitled to Gratuity as per scheme framed by that Company or as per the Payment of Gratuity Act, 1972, whichever is higher. Liability towards Gratuity, Superannuation (Defined Benefit Plan) covering eligible employees, is provided and funded on the basis of year end Actuarial Valuation. Liability or asset recognised in the Balance Sheet in respect of Gratuity Plans is the present value of Defined Benefit Obligations at the end of the reporting period less the Fair Value of Plan Assets. The Defined Benefit Obligation is calculated annually by actuary using the Projected Unit Credit Method. The present value of the Defined Benefit Obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government Bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the Defined Benefit Obligation and the Fair Value of Plan Assets. This cost is included in the employee benefit expense in the Standalone Statement of Profit or Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumption are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Statement of changes in Equity and in the Balance Sheet.

- vi) Accrued Liability towards Compensated Absence, covering eligible employees, evaluated on the basis of year end Actuarial Valuation is recognised as a charge.

2.15 Leases

Leases are recognised as a Finance Lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Rentals payable under Operating Leases are charged to the Standalone Statement of Profit and Loss on a Straight Line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

2.16 Taxes on Income

Taxes on Income comprises of Current Taxes and Deferred Taxes. Current Tax in the Standalone Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted at the end of the reporting period, together with any adjustment to tax payable in respect of previous years. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred Tax Assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which such unused tax losses can be utilised.

Income Tax, in so far as it relates to items disclosed under Other Comprehensive Income or Equity are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

Deferred Tax Assets and Liabilities are offset when there is legally enforceable right to offset Current Tax Assets and Liabilities and when the Deferred Tax balances related to the same taxation authority. Current Tax Assets and Tax Liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis or to realise the asset and settle the liability simultaneously.

Tax Credit is recognised in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA/115JB of the Income Tax Act, 1961 based on convincing evidence that the Company will recover the same against normal Income Tax within the statutory time frame which is reviewed at each Balance Sheet date.

2.17 Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

2.18 Operating Segments

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the Operating Segments. Based on such the Company operates in one Operating Segment, viz. Specialised Refractories and Ceramics.

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment Revenue arising from third party customers is reported on the same basis as revenue in the Financial Statements. Inter Segment Revenue is reported on the basis of transactions which are primarily market led. Segment Results represent profits before finance charges, unallocated common expenses and taxes. "Unallocated Common Expenses" include revenue and expenses that relate to initiatives/costs attributable to the enterprise as a whole and are not attributable to segments.

2.19 Changes in Accounting Standard and recent accounting pronouncements

On 30th March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116 on Leases. Ind AS 116 would replace the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently for operating lease rentals are charged to the Standalone Statement of Profit and Loss. The Company is currently evaluating the implications of Ind AS 116 on the Standalone Financial Statements.

The Companies (Indian Accounting Standards) Amendment Rules, 2019 notified amendments to the following accounting standards. The amendments would be effective from 1st April 2019.

- Ind AS 12 – Income Taxes – Appendix C on uncertainty over Income Tax treatments
- Ind AS 23 – Borrowing Costs
- Ind AS 28 – Investment in Associates and Joint Ventures
- Ind AS 103 and Ind AS 111 – Business Combinations and Joint Arrangements
- Ind AS 109 – Financial Instruments
- Ind AS 19 – Employee Benefits

The Company is in the process of evaluating the impact of such amendments and does not expect significant impact on its Standalone Financial Statements.

3. USE OF ESTIMATES AND JUDGEMENTS :

The preparation of Standalone Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of Contingent Liabilities at the date of the Standalone Financial Statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

Judgements in applying Accounting Policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these Standalone Financial Statements pertain to useful life of Intangible Assets acquired in merger. Refer notes to the Standalone Financial Statements.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of Assets and Liabilities within the next financial year.

3.1 Useful lives of Property, Plant and Equipment and Intangible Assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of Property, Plant and Equipment and Intangible Assets at the end of each reporting period.

3.2 Fair Value Measurements and Valuation Processes

Some of the Company's assets and liabilities are measured at Fair Value for financial reporting purposes. Fair Value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the Fair Value measurements are observable and the significance of the inputs to the Fair Value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability. The Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the Fair Value of various assets and liabilities are disclosed in the notes to the Standalone Financial Statements.

3.3 Actuarial Valuation

The determination of Company's Liability towards Defined Benefit Obligation to employees is made through independent Actuarial Valuation including determination of amounts to be recognised in the Standalone Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Standalone Financial Statements.

3.4 Claims, Provisions and Contingent Liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, Management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the Standalone Financial Statements.

3.5 Provision against obsolete and slow moving Inventories

The Company reviews the condition of its Inventories and makes provision against obsolete and slow moving Inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such Inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an Inventory review at each Balance Sheet date and makes provision against obsolete and slow moving items. The Company reassesses the estimation on each Balance Sheet date.

3.6 Impairment of Financial Assets

The Company assesses impairment based on Expected Credit Losses (ECL) model on Trade Receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of Trade Receivables. The provision matrix is based on its historically observed default rates over the expected life of the Trade Receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward looking estimates are analysed.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
4. PROPERTY, PLANT AND EQUIPMENT :		
Net Carrying amounts of :		
Land (Freehold)	928.18	33.86
Buildings	1,840.56	1,756.17
Plant and Equipment	4,179.37	4,115.83
Furniture and Fixtures	44.90	50.01
Leasehold Improvements	2.26	2.26
Vehicles	247.79	136.06
Office Equipment	71.22	74.53
Computers	35.17	36.74
Total	7,349.45	6,205.46

	As at 31st March 2017	Additions	Withdrawals and Adjustments	As at 31st March 2018	Additions	Withdrawals and Adjustments	As at 31st March 2019
Gross Carrying Amount - Cost							
Land (Freehold)	33.86	–	–	33.86	894.32	–	928.18
Buildings	2,503.95	68.90	–	2,572.85	177.24	–	2,750.09
Plant and Equipment	11,456.66	883.20	136.78	12,203.08	1,188.04	196.96	13,194.16
Furniture and Fixtures	151.94	7.91	–	159.85	4.31	–	164.16
Leasehold Improvements	48.91	–	–	48.91	–	–	48.91
Vehicles	269.89	35.59	15.10	290.38	152.39	26.60	416.17
Office Equipment	181.54	15.12	–	196.66	12.40	–	209.06
Computers	138.27	34.00	–	172.27	18.28	–	190.55
Total	14,785.02	1,044.72	151.88	15,677.86	2,446.98	223.56	17,901.28

	As at 31st March 2017	Charge for the year	Withdrawals and Adjustments	As at 31st March 2018	Charge for the year	Elimination of Disposals of Assets	As at 31st March 2019
Depreciation							
Land (Freehold)	–	–	–	–	–	–	–
Buildings	724.98	91.70	–	816.68	92.85	–	909.53
Plant and Equipment	7,212.24	889.57	14.56	8,087.25	988.89	61.35	9,014.79
Furniture and Fixtures	100.80	9.04	–	109.84	9.42	–	119.26
Leasehold Improvements	37.62	9.03	–	46.65	–	–	46.65
Vehicles	132.75	36.83	15.26	154.32	29.72	15.66	168.38
Office Equipment	100.77	21.36	–	122.13	15.71	–	137.84
Computers	113.76	21.77	–	135.53	19.85	–	155.38
Total	8,422.92	1,079.30	29.82	9,472.40	1,156.44	77.01	10,551.83

4.1 The details of Property, Plant and Equipment pledged against borrowings are presented in Note 17 and Note 19.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
5. GOODWILL		
Net Carrying amounts of :		
Goodwill (arising on Merger)*	18,689.61	21,359.56
Total	18,689.61	21,359.56

	As at 31st March 2017	Additions	As at 31st March 2018	Additions	As at 31st March 2019
Gross Carrying Amount					
Goodwill (arising on Merger)*	26,699.46	—	26,699.46	—	26,699.46
Total	26,699.46	—	26,699.46	—	26,699.46

	As at 31st March 2017	Charge for the year	As at 31st March 2018	Charge for the year	As at 31st March 2019
Amortisation					
Goodwill (arising on Merger)*	2,669.95	2,669.95	5,339.90	2,669.95	8,009.85
Total	2,669.95	2,669.95	5,339.90	2,669.95	8,009.85

*Goodwill is being amortised over a period of 10 years in accordance with a Tribunal approved Scheme of Merger (Refer Note 37).

	As at 31st March 2019	As at 31st March 2018
6. OTHER INTANGIBLE ASSETS :		
Net Carrying amounts of :		
Computer Software	33.68	87.30
Intellectual Property Rights (Technical Know-how) (Refer Note 6.1 below)	—	—
Total	33.68	87.30

	As at 31st March 2017	Additions	As at 31st March 2018	Additions	As at 31st March 2019
Gross Carrying Amount					
Computer Software	135.58	80.70	216.28	7.01	223.29
Intellectual Property Rights (Technical Know-how) (Refer Note 6.1 below)	232.29	—	232.29	—	232.29
Total	367.87	80.70	448.57	7.01	455.58

	As at 31st March 2017	Charge for the year	As at 31st March 2018	Charge for the year	As at 31st March 2019
Amortisation					
Computer Software	81.02	47.96	128.98	60.63	189.61
Intellectual Property Rights (Technical Know-how) (Refer Note 6.1 below)	232.29	—	232.29	—	232.29
Total	313.31	47.96	361.27	60.63	421.90

6.1 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.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019			As at 31st March 2018		
	QTY	Current	Non-Current	QTY	Current	Non-Current
7. INVESTMENTS						
A. Investments carried at Cost						
Unquoted Investments (all fully paid)						
Investments in Equity Instruments						
Subsidiary Company						
IFGL Worldwide Holdings Limited (Fully paid Equity Shares of GBP 1 each)	6,350,000	–	5,625.39	6,350,000	–	5,625.39
INVESTMENTS CARRIED AT COST [A]		–	5,625.39		–	5,625.39
B. Investments carried at Amortised Cost						
Quoted						
Investments in Non Convertible Debentures or Bonds						
Power Finance Corporation Limited (8.09% Tax Free Bonds of Face Value ₹ 100,000 each)	50	–	52.05	50	–	52.05
INVESTMENTS CARRIED AT AMORTISED COST [B]		–	52.05		–	52.05
C. Investments carried at Fair Value Through Profit and Loss (FVTPL)						
Quoted Investments						
Investments in Mutual Funds						
– Axis Liquid Fund - Direct Plan - Growth Option	20,610	427.36	–	–	–	–
– Franklin India Ultra Short Fund - Superinstitutional - Direct Growth	7,226,248	1,906.56	–	–	–	–
– Franklin India Liquid Fund - Superinstitutional - Direct Growth	7,210	201.77	–	–	–	–
– Franklin India Low Duration Fund - Direct Growth	285,174	652.73	–	–	–	–
– IDFC Corporate Bond Fund - Direct Plan - Growth	9,614,624	1,236.48	–	9,614,624	1,150.90	–
– Reliance Medium Term Fund - Direct Growth Plan - Growth Option	321,175	128.84	–	321,175	119.48	–
INVESTMENTS CARRIED AT FVTPL [C]		4,553.74	–		1,270.38	–
TOTAL INVESTMENTS CARRYING VALUE (A) + (B) + (C)		4,553.74	5,677.44		1,270.38	5,677.44
Other Disclosures						
Aggregate amount of Quoted Investments		4,553.74	52.05		1,270.38	52.05
Aggregate amount of Unquoted Investments		–	5,625.39		–	5,625.39
Aggregate Market Value of Quoted Investments		4,553.74	53.00		1,270.38	52.98

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
8. OTHER FINANCIAL ASSETS				
a) Bank Deposits with more than 12 months maturity	–	28.70	–	96.18
b) Interest accrued on Deposits	30.81	–	10.91	–
c) Security Deposits	–	173.47	–	114.65
d) Claims Receivable	5.64	–	82.92	–
Total	36.45	202.17	93.83	210.83

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

9. DEFERRED TAXES ASSETS (NET)

A. Components of Deferred Tax Assets and (Liabilities) as at 31st March 2019 is as below :

	Balance as at 1st April 2018	Recognised/ (Reversed) in Statement of Profit and Loss	Balance as at 31st March 2019
Deferred Tax Assets			
Unabsorbed Depreciation carried forward	1,558.91	(241.26)	1,317.65
Accrued Expenses deductible when paid and Allowance for Doubtful Debts	410.31	(26.05)	384.25
Expenses related to Amalgamation	10.87	0.55	11.42
MAT Credit Entitlement	1,199.01	693.53	1,892.54
	3,179.10	426.77	3,605.86
Deferred Tax Liabilities			
Property, Plant and Equipment and Intangible Assets	2,672.49	323.60	2,996.09
Others	58.96	47.90	106.86
	2,731.45	371.50	3,102.95
Net Deferred Tax Assets	447.65	55.27	502.91

B. Components of Deferred Tax Assets and (Liabilities) as at 31st March 2018 is as below :

	Balance as at 1st April 2017	Recognised/ (Reversed) in Statement of Profit and Loss	Balance as at 31st March 2018
Deferred Tax Assets			
Unabsorbed Depreciation carried forward	1,780.09	(221.18)	1,558.91
Accrued Expenses deductible when paid and Allowance for Doubtful Debts	265.87	144.44	410.31
Expenses related to Amalgamation	-	10.87	10.87
MAT Credit Entitlement	418.43	780.58	1,199.01
	2,464.39	714.71	3,179.10
Deferred Tax Liabilities			
Property, Plant and Equipment and Intangible Assets	1,589.40	1,083.09	2,672.49
Others	41.66	17.30	58.96
	1,631.06	1,100.39	2,731.45
Net Deferred Tax Assets/(Liabilities)	833.33	(385.68)	447.65

MAT paid in excess of regular Income Tax during a year can be carried forward for a period of 15 years and can be offset against future Tax Liabilities.

	As at 31st March 2019	As at 31st March 2018
10. INCOME TAX ASSETS (NET)		
Advance Income Tax (Net of Provisions - 31st March 2019 : ₹ 4,396.37, 31st March 2018 : ₹ 3,709.77)	1,272.79	1,183.54
Total	1,272.79	1,183.54

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

Income Tax Expense/(Benefits)

The Company is subject to Income Tax in India on the basis of Standalone Financial Statements. As per the Income Tax Act, the Company is liable to pay Income Tax which is the higher of regular Income Tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
11. OTHER ASSETS				
a) Capital Advances	–	102.42	–	312.36
b) Advances to Suppliers	83.23	–	121.15	–
c) Balances with Government Authorities (other than Income Tax)	449.74	4.32	795.83	16.34
d) Pre-payments	108.27	–	95.23	–
e) Advance to Employees for Expenses	35.24	–	26.33	–
f) Prepaid Lease Payments	9.64	733.01	9.64	742.65
Total	686.12	839.75	1,048.19	1,071.35

	As at	As at
	31st March 2019	31st March 2018
12. INVENTORIES		
a) Raw Materials and Components	3,557.76	2,944.10
b) Work-in-Progress	1,538.74	1,180.71
c) Finished Goods	2,783.58	354.59
d) Stock-in-Trade	245.06	154.91
e) Stores and Spares	546.86	414.86
Total	8,672.00	5,049.17
Included in above, Goods-in-Transit :		
i) Raw Materials and Components	291.25	677.08
ii) Finished Goods	2,143.38	27.75
Total	2,434.63	704.83

	As at	As at
	31st March 2019	31st March 2018
13. TRADE RECEIVABLES		
a) Trade Receivables - Considered Good - Unsecured	14,057.54	20,695.95
b) Trade Receivables - Credit Impaired	964.59	1,073.24
Less : Allowance for Impairment Loss	(964.59)	(1,073.24)
Total	14,057.54	20,695.95

Ageing of Trade Receivables and Credit Risk arising therefrom is as below :

	As at 31st March 2019		
	Gross Credit Risk	Impairment Provision	Net Credit Risk
Amounts not yet due	12,648.50	9.66	12,638.84
Between five months to ten months overdue	1,442.03	144.85	1,297.18
More than ten months overdue	931.60	810.08	121.52
Total	15,022.13	964.59	14,057.54

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2018		
	Gross Credit Risk	Impairment Provision	Net Credit Risk
Amounts not yet due	15,267.39	221.77	15,045.62
Between five months to ten months overdue	3,949.74	247.47	3,702.27
More than ten months overdue	2,552.06	604.00	1,948.06
Total	21,769.19	1,073.24	20,695.95

	As at 31st March 2019	As at 31st March 2018
14. CASH AND BANK BALANCES		
A) Cash and Cash Equivalents		
Unrestricted Balances with Banks		
- In Current Accounts	22.71	20.66
- Remittance in Transit	-	57.26
Cheques, Drafts on Hand	-	32.65
Cash on Hand	7.70	16.98
Total	30.41	127.55
B) Bank Balances other than (A) above		
- Deposits with original maturity beyond 3 months but not exceeding 12 months	782.75	500.01
- Unclaimed Dividend Accounts	91.86	81.88
Total	874.61	581.89

	Number of Shares	Share Capital
15. SHARE CAPITAL :		
Authorised Share Capital :		
Balance as at 31st March 2018	43,000,000	4,300.00
Changes in Capital during the period	-	-
Balance as at 31st March 2019	43,000,000	4,300.00
5% Redeemable Preference Shares of ₹ 100/- each		
Balance as at 31st March 2018	2,000,000	2,000.00
Changes in Preference Share Capital during the period	-	-
Balance as at 31st March 2019	2,000,000	2,000.00
Issued and Paid up Capital		
Balance as at 31st March 2018	36,039,312	3,603.93
Changes in Equity Share Capital during the period	-	-
Balance as at 31st March 2019	36,039,312	3,603.93

15.1 Share issued pursuant to the Scheme of Amalgamation

Pursuant to the Scheme of Amalgamation as detailed in Note 37, the Company issued and allotted 34,610,472 Equity Shares of ₹ 10/- each fully paid and 1,487,160 Equity Shares of the Company of ₹ 10/- each fully paid held by erstwhile IFGL Refractories Limited were cancelled on 18th September 2017.

15.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having face value of ₹ 10/- each. Each holder of such shares is entitled to 1 vote per share. In the event of liquidation of the Company, the Equity Shareholders will be entitled to receive the remaining Assets of the Company, after distribution of all preferential amounts, in proportion to their Shareholding. The Company in their General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board of Directors of the Company.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

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

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Bajoria Financial Services Private Limited	18,454,353	51.21	18,454,353	51.21
Bajoria Enterprises Limited (BEL) - Fellow Subsidiary	270	0.00	270	0.00

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

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Bajoria Financial Services Private Limited	18,454,353	51.21	18,454,353	51.21
Krosaki Harima Corporation, Japan - Foreign Promoter of the Company	5,590,156	15.51	5,590,156	15.51

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

	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium	Retained Earnings		
16. OTHER EQUITY				
Balance as at 31st March 2017	41,616.37	2,268.83	1.07	43,886.27
Add : Profits for the year	–	2,257.96	–	2,257.96
Less : Utilised for Dividend Payment	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(146.74)	–	(146.74)
Add : Other Comprehensive Income (Net of Tax)	–	–	32.17	32.17
Balance as at 31st March 2018	41,616.37	3,659.26	33.24	45,308.87
Add : Profits for the year	–	2,596.34	–	2,596.34
Less : Utilised for Dividend Payment	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(148.16)	–	(148.16)
Less : Other Comprehensive Loss (Net of Tax)	–	–	(38.09)	(38.09)
Balance as at 31st March 2019	41,616.37	5,386.65	(4.85)	46,998.17

Notes :

- Securities Premium is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- Retained Earnings represents the Profits that the Company has earned till date, less any Dividends or other distributions to the Shareholders.
- During the year ended 31st March 2019, the Company's Shareholders declared Dividend of ₹ 2/- per share which resulted in an outflow of ₹ 868.95 including Dividend Distribution Tax of ₹ 148.16 and accordingly has been accounted in the year of declaration by the Shareholders.

The Board of Directors of the Company have proposed a Dividend of ₹ 2.50 per share for the financial year ended 31st March 2019 which will result in an outflow of ₹ 1,086.18 including Dividend Distribution Tax of ₹ 185.20. Pending approval of the Shareholders, the same has not been recognised in these Standalone Financial Statements.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
17. NON CURRENT BORROWINGS :		
Measured at Amortised Cost		
Secured Borrowings :		
a) Term Loan from DBS Bank India Limited	–	187.50
Total	–	187.50

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

- i) **Term Loans from DBS Bank India Limited** is repayable in quarterly equal installments of ₹ 62.50 each at an interest rate of 9.40% p.a. This is secured by a first charge over entire moveable and immoveable Property, Plant and Equipment, both present and future and second charge on the entire Current Assets including Receivables, both present and future of SEZ unit of the Company located in Kandla.

17.2 Scheduled maturity of Non-Current Secured Borrowings are summarised as under :

	As at 31st March 2019	As at 31st March 2018
Borrowings Repayable		
In the First Year (Refer Note 21)	187.50	252.91
Current Maturities of Long-Term Debt	187.50	252.91
In the Second Year	–	187.50
Non-Current Borrowings	–	187.50

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
18. PROVISIONS				
a) Provision for Employee Benefits				
- Compensated Absences	1.09	24.59	1.78	23.56
b) Other Provisions				
- Sales Tax	18.49	–	18.49	–
- Entry Tax	13.82	–	13.82	–
Total	33.40	24.59	34.09	23.56

	As at 31st March 2019	As at 31st March 2018
19. CURRENT BORROWINGS :		
Secured Borrowings		
Working Capital Loans repayable on Demand		
- From State Bank of India	2,925.58	4,260.87
- From ICICI Bank Limited	1,293.79	473.87
- From Yes Bank Limited	0.62	1,329.56
- From DBS Bank India Limited	2,327.43	2,494.69
Total	6,547.42	8,558.99

- 19.1 Working Capital Loans from the banks are secured by hypothecation of Stocks of Raw Materials, Stock-in-Process, Finished Goods, Consumables, Spares, Stores, Receivables and other Current Assets both present and future on pari passu basis and by a second charge over all Property, Plant and Equipment of the Company on pari passu basis.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
20. TRADE PAYABLES :		
Total Outstanding dues of Micro Enterprises and Small Enterprises	246.43	380.86
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	5,894.48	6,535.01
Total	6,140.91	6,915.87

	As at 31st March 2019	As at 31st March 2018
20.1 Dues to the Micro Enterprises and Small Enterprises		
1. The principal amount remaining unpaid to supplier as at the end of accounting year	246.43	380.86
2. The interest due thereon remaining unpaid to supplier as at the end of accounting year	–	1.37
3. The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year 2018-2019	–	–
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.	–	1.37
5. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	–	–

	As at 31st March 2019	As at 31st March 2018
21. OTHER FINANCIAL LIABILITIES :		
a) Current Maturities of Long-Term Debt	187.50	252.91
b) Unpaid Dividends (Refer Note 21.1 below)	91.86	81.68
c) Deposits	35.47	11.21
d) Payables for Employee Benefits	182.38	219.80
e) Creditors for Capital Supplies/Services	46.68	52.95
f) Foreign Currency Forward Contracts not designated as a Hedging Instruments	–	9.12
Total	543.89	627.67

21.1 There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

	As at 31st March 2019	As at 31st March 2018
22. OTHER CURRENT LIABILITIES		
a) Advances received from Customers	19.50	17.28
b) Statutory Dues	146.90	104.85
Total	166.40	122.13

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
23. REVENUE FROM OPERATIONS :		
Revenue from Sale of Products :		
Finished Goods	42,876.17	40,210.25
Traded Goods	4,232.65	3,904.94
Revenue from Sale of Products	47,108.82	44,115.19
Service Income - (Refer Note 23.1 below)	765.03	599.46
Other Operating Revenue (Scrap Sales)	38.87	11.02
Total	47,912.72	44,725.67

Effective 1st April 2018, the Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using the modified retrospective approach and the comparative information is not restated. The adoption of the standard did not have any material impact on the Standalone Financial Statements of the Company.

	For the year ended 31st March 2019	For the year ended 31st March 2018
23.1 Details of Service Income		
Application Services	765.03	599.46
Total	765.03	599.46

	For the year ended 31st March 2019	For the year ended 31st March 2018
24. OTHER INCOME :		
Interest Income (Refer Note 24.1 below)	160.24	99.70
Liabilities no longer required written back	0.97	1.81
Other Non Operating Income (Refer Note 24.2 below)	215.12	93.32
Total	376.33	194.83

	For the year ended 31st March 2019	For the year ended 31st March 2018
24.1 Details of Interest Income		
Interest Income earned on Financial Assets that are not designated at Fair Value through Profit or Loss :		
- on Bank Deposits at Amortised Cost	71.83	54.23
- on Delayed Payment by Customers at Amortised Cost	75.78	30.99
- on Other Deposits at Amortised Cost	12.63	14.48
Total	160.24	99.70

No interest was capitalised during the year.

	For the year ended 31st March 2019	For the year ended 31st March 2018
24.2 Other Non Operating Income		
Profit on sale of Current Investments	68.11	-
Gain on Fair Valuation of Investments through Profit and Loss :		
- on Current Investments	141.96	80.60
Sundry Receipts	5.05	12.72
Total	215.12	93.32

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
25. COST OF MATERIALS CONSUMED		
Raw Materials (including Packing Materials)	23,688.65	20,542.44
Total	23,688.65	20,542.44

	For the year ended 31st March 2019	For the year ended 31st March 2018
26. PURCHASES OF STOCK-IN-TRADE		
Purchases of Stock-in-Trade	3,875.76	2,171.98
Total	3,875.76	2,171.98

	For the year ended 31st March 2019	For the year ended 31st March 2018
27. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
Finished Goods and Stock-in-Trade	509.50	925.21
Work-in-Progress	1,180.71	1,027.92
Less : Closing Stock		
Finished Goods and Stock-in-Trade	3,028.64	509.50
Work-in-Progress	1,538.74	1,180.71
Total	(2,877.17)	262.92

	For the year ended 31st March 2019	For the year ended 31st March 2018
28. EMPLOYEE BENEFITS EXPENSE :		
Salaries, Wages and Bonus	3,693.84	3,457.12
Contribution to Provident and other Funds	313.13	299.15
Staff Welfare Expenses	151.39	179.60
Total	4,158.36	3,935.87

28.1 The Company has recognised in the Standalone Statement of Profit and Loss for the year ended 31st March 2019, an amount of ₹ 245.18 (31st March 2018 : ₹ 256.25) as expenses under Defined Contribution Plans.

28.2 Provident Fund (Funded)

Provident Fund contributions in respect of employees upto August 2017 of erstwhile IFGL Refractories Limited are made to a Trustee managed exempted Fund and interest paid to member thereof is not lower than that declared annually by the Central Government. Shortfall, if any, is made good by the Company. Membership to said Fund has been closed on and from 1st September 2017, subject to necessary approvals and/or permissions. Provident Fund in respect of remaining employees are made to Statutory Provident Fund established by the Central Government. Based on the final guidance for measurement of Provident Fund liabilities of the Trustee managed fund issued by the Actuarial Society of India, the Company's liability at the year end of ₹ NIL (31st March 2018 : ₹ NIL) has been actuarially determined by an independent actuary and provided for.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

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

	For the year ended 31st March 2019	For the year ended 31st March 2018
Plan Assets at year end, at Fair Value	–	–
Present Value of Benefit Obligation at year end (Net of Planned Assets)	–	–
Cost of shortfall in Interest Rate Guarantee	–	–
Assumptions used in determining the Present Value Obligation of the Interest Rate Guarantee under the Deterministic Approach	–	–
Discount Rate	7.00%	7.60%
Expected Guaranteed Interest Rate	8.60%	8.55%

28.3 Gratuity (Funded)

The Company provides for Gratuity benefit to its employees. Employees of erstwhile IFGL Refractories Limited are provided Gratuity benefits through a Trustee managed Fund, membership whereof has been closed on and from 1st September 2017 and awaiting merger with that of similar Fund of Company subject to necessary approvals and permissions. Gratuity entitlement of the employees is as per the provision of the Payment of Gratuity Act, 1972. However in case of employees joining before 1st April 2003 of erstwhile IFGL Refractories Limited, they are entitled to Gratuity as per scheme framed by that Company or as per the Payment of Gratuity Act, 1972, whichever is higher. Liability with regard to Gratuity plan are determined by the Actuarial Valuation as set out in Note 2.14 (v) above, based on which the Company makes contribution to the fund using Projected Unit Credit Method. The most recent Actuarial Valuation of the Fund was carried out as at 31st March 2019.

28.4 Superannuation (Funded)

Certain employees joined before 31st March 2004 of erstwhile IFGL Refractories Limited are member of Trustee managed Superannuation Fund. Said Fund provide for Superannuation benefit on retirement/death/incapacitation/termination and was amended from the Defined Benefit to Defined Contribution Plan effective 1st April 2004. Defined Benefit Plan was frozen as on 31st March 2004. Necessary formalities/approvals have been complied with and obtained. Also refer Notes 2.14 (iii) and (v) for accounting policy relating to Superannuation.

28.5 Compensated Absence (Unfunded)

The Company provides for encashment of 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 2.14 (vi) above using Projected Unit Credit Method.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

28.6 Following are the further particulars with respect to Defined Benefit Plans of the Company for the year ended 31st March 2019 :

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018
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	904.39	851.29	118.24	114.90	25.34	26.99
Service Cost	65.57	64.46	–	–	6.05	6.46
Interest Cost	66.87	57.57	8.89	7.79	1.84	1.83
Actuarial (Gains)/Losses	59.28	(35.15)	2.37	(0.34)	(5.26)	(9.00)
(Benefits Paid)	(48.99)	(33.78)	(2.50)	(4.11)	(2.29)	(0.94)
Present Value of Obligation as at the end of the year	1,047.12	904.39	127.00	118.24	25.68	25.34
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	896.40	845.27	515.36	490.28	–	–
Interest Income	69.49	57.92	39.07	33.69	–	–
Remeasurement Gains/(Losses)	(3.61)	5.04	1.01	(4.50)	–	–
Contribution by the Company	85.00	21.95	–	–	–	–
(Benefits Paid)	(48.99)	(33.78)	(2.50)	(4.11)	–	–
Fair Value of Plan Assets at the end of the year	998.29	896.40	552.94	515.36	–	–
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	998.29	896.40	552.94	515.36	–	–
Present Value of Obligation at the end of the year	1,047.12	904.39	127.00	118.24	25.68	25.34
Assets/(Liabilities) recognised in the Balance Sheet	(48.83)	(7.99)	425.94 #	397.12 #	(25.68)	(25.34)
# Actual amount of asset in the Balance Sheet Nil (31.03.2018 : Nil)						
d) Expense recognised in the Statement of Profit and Loss :						
Employee Benefits Expense :						
Service Cost	65.57	64.46	–	–	6.05	6.46
Net Interest Expenses	(2.62)	(0.35)	(30.18)	(25.90)	1.84	1.83
Other Comprehensive Income :						
Actuarial (Gain)/Loss	62.89	(40.19)	1.36	4.16	(5.26)	(9.00)
Total Expense as per the Actuarial Valuation	125.84	23.92	(28.82)	(21.74)	2.63	(0.71)
Actual Expenses Recognised	125.84**	23.92**	–	–	2.63*	(0.71)*

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

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

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)	
	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018
	%	%	%	%	%	%
e) Category of Plan Assets :						
GOI Securities	0.45	0.44	2.00	2.13	NA	NA
Bonds	-	0.19	-	0.13	NA	NA
State Government/State Government Guaranteed Securities	-	-	-	-	NA	NA
Units of Insurers	97.00	98.51	95.00	93.89	NA	NA
Others (including Bank Balances)	2.55	0.86	3.00	3.85	NA	NA
	100.00	100.00	100.00	100.00	NA	NA
f) Principal Actuarial Assumptions :						
Discount Rate (per annum) (%)	7.00	7.60	7.00	7.60	7.00	7.60
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA	6.00	6.00
Remaining Working Life (in years)	22.17	22.31	8.30	9.08	22.48	23.21
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate
Method Used	Projected Unit Credit Method					
Actual Return on Plan Assets	65.88	62.96	40.08	29.19	NA	NA

g) Other Disclosures :

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.

Sensitivity Analysis

The sensitivity of Defined Benefit Obligations to changes in the weighted principal assumptions is :

	As at 31st March 2019		As at 31st March 2018	
	Impact on Defined Benefit Obligation (Gratuity)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to sensitivity	(44.12)	49.76	(43.21)	48.23
Salary Growth Rate (-/+ 1%) % change compared to base due to sensitivity	49.35	(44.67)	48.28	(44.16)

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019		As at 31st March 2018	
	Impact on Defined Benefit Obligation (Superannuation)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to sensitivity	(2.03)	2.11	(2.84)	2.95
Salary Growth Rate (-/+ 1%) % change compared to base due to sensitivity	NA	NA	NA	NA

	As at 31st March 2019		As at 31st March 2018	
	Impact on Defined Benefit Obligation (Compensated Absence)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to sensitivity	(1.72)	1.94	(1.74)	1.96
Salary Growth Rate (-/+ 1%) % change compared to base due to sensitivity	1.94	(1.75)	1.96	(1.78)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the Defined Benefit Obligation to significant actuarial assumptions, the same method (Present Value of the Defined Benefit Obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied while calculating the Defined Benefit Liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk Exposure :

Through its Defined Benefit Plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

- Investment Risk** : The Defined Benefit Plans are funded Government Securities and units of Insurers. The Company does not have any liberty to manage the funds provided to Insurance Companies.
- Interest Risk** : A decrease in the interest rate on Plan Assets will increase the Plan Liability.
- Life Expectancy** : The Present Value of the Defined Benefit Plan Liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the Plan Liability.
- Salary Growth Risk** : The Present Value of the Defined Benefit Plan Liability is calculated by reference to the future salaries of plan participants. An increase will increase the Plan Liability.

Defined Benefit Liability and Employer Contributions

Expected contributions to post employment benefit plans for the year ending 31st March 2019 : Nil

The Weighted Average duration of the Defined Benefit Obligation (Gratuity) is 5 years (31st March 2018 -10 years). The expected maturity analysis of undiscounted Gratuity is as follows :

	As at 31st March 2019	As at 31st March 2018
Year 1	52.69	38.53
Year 2	512.52	421.17
Year 3	50.70	97.51
Year 4	115.77	51.13
Year 5	89.91	117.86
Year 6 to 10	561.88	549.84

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

The Weighted Average duration of the Defined Benefit Obligation (Superannuation) is 2 years (31st March 2018 - 3 years). The expected maturity analysis of payment for Superannuation is as follows :

	As at 31st March 2019	As at 31st March 2018
Year 1	10.06	6.46
Year 2	85.62	81.62
Year 3	6.16	9.31
Year 4	25.32	5.98
Year 5	4.55	24.75
Year 6 to 10	3.15	4.43

The Weighted Average duration of the Defined Benefit Obligation (Compensated Absences) is 5 years (31st March 2018 - 10 years). The expected maturity analysis of payment for Compensated Absences is as follows :

	As at 31st March 2019	As at 31st March 2018
Year 1	1.13	1.85
Year 2	1.74	1.16
Year 3	1.83	1.94
Year 4	0.82	1.90
Year 5	4.19	0.87
Year 6 to 10	17.60	20.87

	For the year ended 31st March 2019	For the year ended 31st March 2018
29. FINANCE COSTS		
Interest	409.79	357.27
Total	409.79	357.27

	For the year ended 31st March 2019	For the year ended 31st March 2018
30. OTHER EXPENSES :		
Consumption of Stores and Spare Parts	901.87	879.72
Power and Fuel	1,913.06	1,644.39
Rent	140.44	120.63
Rates and Taxes	19.02	22.56
Repairs :		
- Machinery	151.97	137.72
- Buildings	16.78	14.86
- Others	184.37	339.14
Insurance	70.52	70.34
Payment to Auditors (Refer Note 30.1 below)	55.67	60.00
Directors' Fees	6.70	8.60
Bank Charges	143.98	104.77
Computerisation Expenses	26.87	21.40
(Reversal)/Provision for Doubtful Trade Receivables/Advances	(118.07)	181.03
Sundry Debit Balances/Advances Written Off	15.76	26.34
Travelling and Conveyance	728.62	626.81

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
Site Contractor Expenses	1,576.22	1,114.32
Printing and Stationery	17.41	17.72
Processing Charges	630.14	464.18
Corporate Social Responsibility Expenditure (Refer Note 30.2 below)	35.40	12.20
Professional Charges	405.09	505.91
Postage, Telephone, Telex etc.	64.55	70.06
Service Charges	157.17	178.06
Commission and Brokerage	1,316.80	1,115.93
Packing Expenses	1,277.71	1,110.21
Delivery and Forwarding Expenses	2,415.79	2,243.25
Net (Gain)/Loss on Sale of Property, Plant and Equipment	(5.84)	3.40
Loss on Fair Valuation of Investment through Profit and Loss on Forward Contracts	–	39.72
Net Gain on Foreign Exchange Rate Fluctuation and Translation	(590.64)	(1,120.68)
Security Charges	57.64	52.24
Miscellaneous Expenses	276.30	149.93
Total	11,891.30	10,062.18

	For the year ended 31st March 2019	For the year ended 31st March 2018
30.1 Amounts Paid/Payable to Auditors		
For Statutory Audit (including Limited Reviews)	48.50	42.50
For Certification work required to be done by Statutory Auditor	0.52	6.10
For Tax Audit	4.50	4.50
For other work by Statutory Auditor	–	5.00
Reimbursement of Expenses	2.15	1.90
Total	55.67	60.00

The above amounts exclude Service Tax/GST and Education Cess thereon.

30.2 Following provisions of Section 135 of the Act, the Company have CSR Committee and during financial year 2018-2019 paid ₹ 35.40 (equivalent to 2% Average Net Profits of 3 preceeding financial years) to the Implementing Agency, IFGL Refractories Welfare Trust registered u/s 12A and having recognition u/s 80G of the Income Tax Act, 1961 for CSR activities primarily focused on education, health care, sanitation, sports etc. in areas neighbouring its manufacturing facilities.

- Gross amount required to be spent by the Company during the year is ₹ 35.40 (31st March 2018 : ₹ 12.20)
- Amount spent during the year on

	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of any Asset	–	–	–
ii) On purposes other than i) above	35.40	–	35.40
Total	35.40	–	35.40

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
31. EARNINGS PER SHARE (EPS) – THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED EPS		
Profit after Tax attributable to the Equity Shareholders (A)	2,596.34	2,257.96
Weighted Average number of Equity Shares (in numbers) (B)	36,039,312	36,039,312
Nominal Value of Equity Shares (in ₹)	10.00	10.00
Basic EPS (A/B)	7.20	6.27
Diluted EPS (A/B)	7.20	6.27

	As at 31st March 2019	As at 31st March 2018
32. CONTINGENT LIABILITIES		
Claims against the Company not acknowledged as Debts :		
i) Sales Tax matter under dispute relating to issues of applicability and classification [related payments ₹ 21.24 (31st March 2018 : ₹ 21.05)]	209.34	62.93
ii) Income Tax matters under dispute relating to issues of applicability and determination [related payments ₹ 44.00 (31st March 2018 ₹ Nil)]	214.31	212.32
iii) Service Tax matters under dispute relating to issues of applicability	1.54	1.54

In the opinion of the Management outcome of these proceedings will not have a material affect on the Company's financial position and result of operations.

	As at 31st March 2019	As at 31st March 2018
33. CAPITAL COMMITMENTS		
Estimated Value of Contracts on Capital Account remaining to be executed (Net of Advances) and not provided for	402.41	183.57
Total	402.41	183.57

34. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES :

34.1 Capital Management

The Company aims at maintaining a strong capital base maximising Shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

34.2 Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments :

	As at 31st March 2019		As at 31st March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets				
a) Measured at Amortised Cost				
i) Cash and Cash Equivalents	30.41	30.41	127.55	127.55
ii) Other Bank Balances	874.61	874.61	581.89	581.89
iii) Investment	52.05	53.00	52.05	53.81
iv) Trade Receivables	14,057.54	14,057.54	20,695.95	20,695.95
v) Other Financial Assets	238.62	238.62	304.66	304.66
Sub-total	15,253.23	15,254.18	21,762.10	21,763.86

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019		As at 31st March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
b) Measured at Fair Value through Profit or Loss				
i) Investment in Mutual Funds	4,553.74	4,553.74	1,270.38	1,270.38
Sub-total	4,553.74	4,553.74	1,270.38	1,270.38
c) Measured at Cost				
i) Investment in Subsidiaries	5,625.39	5,625.39	5,625.39	5,625.39
Sub-total	5,625.39	5,625.39	5,625.39	5,625.39
Total Financial Assets	25,432.36	25,433.31	28,657.87	28,659.63
B. Financial Liabilities				
a) Measured at Amortised Cost				
i) Borrowings	6,734.92	6,734.92	8,999.40	8,999.40
ii) Trade Payables	6,140.91	6,140.91	6,915.87	6,915.87
iii) Other Financial Liabilities	356.39	356.39	374.76	374.76
Sub-total	13,232.22	13,232.22	16,290.03	16,290.03
Total Financial Liabilities	13,232.22	13,232.22	16,290.03	16,290.03

The Management assessed that Cash and Cash Equivalents, Trade Receivables, Trade Payables, other Financial Assets and other Financial Liabilities approximate their carrying amounts largely due to the Short Term maturities of these instruments.

The fair value of Loans from Banks, Trade Payables and other Financial Liabilities, as well as other Non-current Financial Liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Company's interest bearing borrowings and loans are determined by using DCF method using discount rate that reflects issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2019 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the investments.

34.3 Financial Risk Management Objectives

The Company's activities expose it to a variety of Financial Risks including Market Risk, Credit Risk and Liquidity Risk. The Company continues to focus on a system based approach to Business Risk management. The Company's Financial Risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong Internal Control Systems, the Current Risk management system rests on policies and procedures issued by appropriate authorities; process of regular reviews/audits to set appropriate risk limits and controls, monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to following significant Market Risk :

Foreign Currency Risk

Interest Rate Risk

Other Price Risk

Market Risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to Market Risks or the manner in which these risks are being managed and measured.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below :

Quoted Prices in an active market (Level 1) : This level of hierarchy includes Financial Assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of Investment in quoted Equity Shares and Mutual Fund Investments.

Valuation Techniques with observable inputs (Level 2) : This level of hierarchy includes Financial Assets and Liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy does not include any instrument.

Valuation Techniques with significant unobservable inputs (Level 3) : This level of hierarchy includes Financial Assets and Liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

	As at 31st March 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	4,553.74	–	–	4,553.74
	4,553.74	–	–	4,553.74
Financial Liabilities				
Derivative Instruments not designated as Hedging Instruments	–	–	–	–
	–	–	–	–

	As at 31st March 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	1,270.38	–	–	1,270.38
	1,270.38	–	–	1,270.38
Financial Liabilities				
Derivative Instruments not designated as Hedging Instruments	9.12	–	–	9.12
	9.12	–	–	9.12

i. Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees). A significant portion of these transactions are in US Dollar, Euro etc. The carrying amount of foreign currency denominated financial assets and liabilities including derivative contracts are as follows :

As at 31st March 2019	USD	Euro	GBP	Total
Financial Assets	1,458.28	4,842.49	189.82	6,490.59
Financial Liabilities	1,019.83	5,361.85	26.25	6,407.93
As at 31st March 2018				
Financial Assets	2,630.01	8,745.86	326.50	11,702.38
Financial Liabilities	2,751.25	4,209.57	18.19	6,979.00

Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

The Company enters into foreign exchange forward contracts with intention to reduce foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

	As at 31st March 2019	As at 31st March 2018
Forward Contracts to sell Nil (31st March 2018 : ₹ 3.00 lacs)	–	235.92

Hedging against the underlying INR borrowings by which :

- Company will receive principal in INR and pay in foreign currency.
- Company will receive fixed interest in INR and pay fixed/floating interest in foreign currency.

Un-hedged Foreign Currency balances :

		As at 31st March 2019	As at 31st March 2018
i) Financial Liabilities	USD	1,019.83	2,751.25
	EUR	5,361.85	4,209.57
	GBP	26.25	18.19
ii) Financial Assets	USD	1,458.28	2,630.01
	EUR	4,842.49	8,509.95
	GBP	189.82	326.50

Foreign Currency Sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 5%)

	As at 31st March 2019	As at 31st March 2018
USD	21.92	(6.06)
EUR	(25.97)	226.81
GBP	8.18	15.42

Note : If the rate is decreased by 5% profit will increase/(decrease) by an equal amount.

Figures in brackets indicate decrease in profit.

ii. Interest Rate Risk

Interest Rate Risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Company's Interest Rate Risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Company is exposed to interest rate volatilities primarily with respect to its term borrowings from Banks as well as Financial Institutions, export packing credit facilities, cash credit facilities. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc of banks. The Company manages such risk by operating with banks having superior credit rating in the market as well as Financial Institutions.

Interest Rate Sensitivities for outstanding exposure (impact on increase in 50 bps)

	As at 31st March 2019	As at 31st March 2018
INR	3.56	13.46
USD	3.38	10.55
EUR	26.73	20.98
GBP	–	–

Note : If the rate is decreased by 50 bps profit will increase by an equal amount.

Interest Rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

iii. Price Risk

The Company invests its surplus funds primarily in debt mutual funds measured at Fair Value through profit or loss. Aggregate value of such Investments as at 31st March 2019 is ₹ 4,553.74 (31st March 2018 : ₹ 1,270.38). Investments in the Mutual Fund schemes are measured at fair value. Accordingly, these do not pose any significant Price Risk.

b) Liquidity Risk

Liquidity Risk is the risk that the Company may encounter difficulty in meeting its obligations. The Company mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
A. Financial Assets				
i) Cash and Cash Equivalents	30.41	–	127.55	–
ii) Other Bank Balances	874.61	–	581.89	–
iii) Investment in Subsidiaries	–	5,625.39	–	5,625.39
iv) Trade Receivables	14,057.54	–	20,695.95	–
v) Other Financial Assets	36.45	202.17	93.83	210.83
vi) Investment In Mutual Funds	4,553.74	–	1,270.38	–
vii) Investment in Bond	–	52.05	–	52.05
viii) Derivative Instruments not designated as Hedging Instruments	–	–	–	–
Total	19,552.75	5,879.61	22,769.60	5,888.27
B. Financial Liabilities				
i) Borrowings	6,734.92	–	8,811.90	187.50
ii) Trade Payables	6,140.91	–	6,915.87	–
iii) Other Financial Liabilities	356.39	–	374.76	–
Total	13,232.22	–	16,102.53	187.50

The Company manages this risk by utilising unused credit lines and portfolio diversion. The Company has investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes.

c) Credit Risk

Credit Risk is the risk that counter party will not meet its obligations leading to a financial loss. The Company has its policies to limit its exposure to Credit Risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals.

The movement of the expected loss provision made by the Company are as under :

	As at 31st March 2019	As at 31st March 2018
Opening Balance	1,073.24	909.77
Add : Provisions made	(118.07)	181.03
Less : Utilisation made for impairment/derecognition	9.42	(17.56)
Closing Balance	964.59	1,073.24

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

35. RELATED PARTY DISCLOSURE :

Related Party Disclosures in keeping with Indian Accounting Standard (Ind AS 24)

a) List of Related Parties

Where Control exists	
Holding Company	Bajoria Financial Services Private Limited
Subsidiary Companies (including Step down Subsidiaries)	IFGL Worldwide Holdings Limited
	IFGL Monocon Holdings Limited
	Monocon International Refractories Limited
	Monocon Overseas Limited
	Mono Ceramics Inc.
	Monotec Refratarios Ltda
	Tianjin Monocon Refractories Company Limited
	Tianjin Monocon Aluminous Refractories Company Limited
	Goricon Metallurgical Services Limited
	IFGL GmbH
	Hofmann Ceramic GmbH
	Hofmann Ceramic CZ s.r.o.
	Hofmann Ceramic Limited (dissolved w.e.f 5th February 2019)
	IFGL Inc.
EI Ceramics LLC	
Fellow Subsidiaries	Heritage Health Insurance TPA Private Limited
	Ganges Art Gallery Private Limited
	Bajoria Enterprises Limited
	Heritage Health Knowledge Services Private Limited
Others :	
Key Management Personnel	S K Bajoria (Chairman)
	P Bajoria (Managing Director)
	Kamal Sarda (Director and Chief Executive Officer)
	Rajesh Agarwal (Company Secretary)
	Sikander Yadav (Chief Financial Officer)
Relatives of Key Management Personnel	Smita Bajoria (Wife of Chairman)
	Akshay Bajoria (Son of Managing Director)
Enterprises in which Key Management Personnel has significant influence	Heritage Insurance Brokers Private Limited
	Bajoria Service Providers LLP
	Bajoria Holdings Private Limited
	Bajoria Estate Private Limited
	Essentially Healthy Private Limited

Particulars of Transactions during the year and year end balances	For the year ended	For the year ended
	31st March 2019	31st March 2018
IA) With Holding Company : Bajoria Holdings Private Limited (till 14th March 2018)		
Rent for Office Premises	–	33.67
	–	33.67
IB) With Holding Company : Bajoria Financial Services Private Limited (with effect from 15th March 2018)		
Rent for Office Premises	36.73	3.06
	36.73	3.06

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
Particulars of Transactions during the year and year end balances		
II) With Subsidiaries including Step down Subsidiaries		
Purchase of Raw Material		
Monocon International Refractories Limited	50.81	32.28
Tianjin Monocon Refractories Company Limited	1,151.16	346.87
El Ceramics LLC	1.43	25.76
Hofmann Ceramic GmbH	16.64	4.94
	1,220.04	409.85
Sale of Finished Goods		
Monocon International Refractories Limited	1,057.41	690.31
Mono Ceramics Inc.	144.09	156.29
Tianjin Monocon Aluminous Refractories Company Limited	0.63	5.75
Tianjin Monocon Refractories Company Limited	–	9.65
El Ceramics LLC	7.45	0.35
Hofmann Ceramic GmbH	23.63	15.23
	1,233.21	877.58
Commission Expense		
Mono Ceramics Inc.	57.27	25.71
	57.27	25.71
Expenses Reimbursement/Incurred		
Mono Ceramics Inc.	1.90	–
El Ceramics LLC	0.51	–
	2.41	–
Expenses Recovered/Received		
Monocon International Refractories Limited	53.91	123.61
Hofmann Ceramic GmbH	28.83	27.64
	82.74	151.25
Year End Balances		
Trade Payables		
Monocon International Refractories Limited	56.15	97.23
Hofmann Ceramic GmbH	–	3.39
Tianjin Monocon Refractories Company Limited	42.35	49.05
	98.50	149.67
Commission Payable		
Mono Ceramics Inc.	21.70	25.71
	21.70	25.71
Trade Receivables		
Monocon International Refractories Limited	187.56	401.60
Tianjin Monocon Refractories Company Limited	–	4.84
Tianjin Monocon Aluminous Refractories Company Limited	–	5.75
Hofmann Ceramic GmbH	6.43	6.53
Mono Ceramics Inc.	3.83	72.29
El Ceramics LLC	0.55	–
	198.37	491.01

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
Particulars of Transactions during the year and year end balances		
Non-Current Investment		
IFGL Worldwide Holdings Limited	5,625.39	5,625.39
	5,625.39	5,625.39
III) With Fellow Subsidiaries		
Expenses Reimbursement/Incurred		
Ganges Art Gallery Private Limited	0.36	0.90
Bajoria Enterprises Limited	12.00	12.00
	12.36	12.90

	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Short Term Benefit	Post Employment Benefit	Short Term Benefit	Post Employment Benefit
Particulars of Transactions during the year and year end balances				
IV) With Key Management Personnel				
Key Management Personnel Remuneration				
S K Bajoria (Chairman)	176.45	–	159.87	–
P Bajoria (Managing Director)	303.04	53.35	266.15	9.71
Kamal Sarda (Director and Chief Executive Officer)	101.08	1.39	87.13	0.07
Rajesh Agarwal (Company Secretary)	99.23	4.29	87.70	0.79
Kanhaiya Poddar (Chief Financial Officer till 4th August 2017)	–	–	13.66	–
Sikander Yadav (Chief Financial Officer with effect from 10th February 2018)	70.37	0.14	17.01	–
	750.17	59.17	631.52	10.57
Director's Commission				
S K Bajoria (Chairman)	37.76	–	33.93	–
P Bajoria (Managing Director)	37.76	–	15.52	–
	75.52	–	49.45	–
Year End Balances				
Director's Remuneration Payable				
P Bajoria (Managing Director)	–	–	32.65	–
	–	–	32.65	–
Director's Commission				
S K Bajoria (Chairman)	37.76	–	33.93	–
P Bajoria (Managing Director)	37.76	–	15.52	–
	75.52	–	49.45	–
V) With Relative of Key Management Personnel				
Remuneration				
Akshay Bajoria	35.00	0.48	26.73	0.07
	35.00	0.48	26.73	0.07

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

36. INFORMATION GIVEN IN ACCORDANCE WITH THE REQUIREMENTS OF IND AS 108 ON SEGMENT REPORTING

In terms of Ind AS 108 'Segment Reporting' prescribed under Section 133 of the Companies Act, 2013, segment information is presented in the Consolidated Financial Statements of the Company. Given below is the information relating to Geographical market of the Company.

	For the year ended 31st March 2019	For the year ended 31st March 2018
Revenue from Operations		
Within India	21,205.43	18,483.12
Outside India	26,707.29	26,242.55
Total	47,912.72	44,725.67

	As at 31st March 2019	As at 31st March 2018
Non-Current Assets excluding Financial Instruments and Deferred Tax Assets		
Within India	34,644.94	36,068.00
Outside India	-	-
Total	34,644.94	36,068.00
Purchase of Tangible and Intangible Assets	2,453.99	1,125.42

37. AMALGAMATION WITH ERSTWHILE IFGL REFRACTORIES LIMITED (ERSTWHILE HOLDING COMPANY)

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

In accordance with the provisions of aforesaid Scheme :

- The amalgamation was accounted under the 'Purchase Method' as prescribed by Accounting Standard 14 - Accounting for Amalgamations under the previous GAAP.
- The excess of the value of Equity Shares issued by the Company over the book value of assets and liabilities taken over by the Company and cancellation of Equity Shares held by erstwhile IFGL Refractories Limited in the Company, amounting to ₹ 26,699.46 was recorded as goodwill arising on amalgamation.
- In accordance with the Scheme, the goodwill recorded on amalgamation is being amortised and the Company has estimated its useful life of 10 years. Accordingly, amortisation for the year amounting to ₹ 2,669.95 has been recognised in the Standalone Statement of Profit and Loss.

38. 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-imburement of maintenance charges, increase in future maintenance charges, etc. The future minimum lease commitments of the Company are as follows :

	As at 31st March 2019	As at 31st March 2018
Within 1 Year	36.73	36.73
More than 1 Year upto 5 Years	110.19	146.92
Total	146.92	183.65

Lease rentals recognised in Note 30 under the heading "Rent" of the Standalone Statement of Profit and Loss amounts to ₹ 36.73 (31st March 2018 : ₹ 36.73)

Notes to the Standalone Financial Statements (Contd.)

(₹ in lacs)

39. INCOME TAX EXPENSE

This note provides an analysis of the Company's Income Tax Expense, shows amounts that are recognised directly in Equity and how the Tax Expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to tax positions.

	For the year ended 31st March 2019	For the year ended 31st March 2018
a) Income Tax Expense		
Current Tax on Profits for the year	714.27	763.56
Excess provision of Tax relating to earlier years written back	–	(13.89)
Total Current Tax Expense	714.27	749.67
b) Deferred Tax		
(Increase) in Deferred Tax Assets	(426.77)	(714.71)
Increase in Deferred Tax Liabilities	371.50	1,100.39
Total Deferred Tax Expense	(55.27)	385.68
Income Tax Expense (a + b)	659.00	1,135.35
Current Tax Expense recognised in Profit or Loss		
Current Tax on Profits for the year	714.27	763.56
Excess provision of Tax relating to earlier years written back	–	(13.89)
Total Current Tax Expense (A)	714.27	749.67
Deferred Tax Expense recognised in Profit or Loss		
Deferred Taxes	(55.27)	385.68
Total Deferred Tax Expense recognised in Profit or Loss (B)	(55.27)	385.68
Deferred Tax Expense recognised in Other Comprehensive Income		
Deferred Taxes	(19.54)	17.02
Total Deferred Tax Expense recognised in Other Comprehensive Income (C)	(19.54)	17.02
Total Deferred Tax for the year (B + C)	(74.81)	402.70
Total Income Tax Expense recognised in Profit or Loss (A + B)	659.00	1,135.35
Total Income Tax Expense (A + B + C)	639.46	1,152.37

Reconciliation of Tax Expense and the accounting profit multiplied by India's Tax Rate :

	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit before Tax	3,255.34	3,393.31
Tax at the Indian Tax Rate of 34.944% (2017 - 2018 : 34.608%)	1,137.55	1,174.36
Effect of items not deductible/exempt from tax/items on which different tax rates are applicable	(787.25)	(260.47)
Effect of permanent difference on account of Ind AS adjustments	47.90	17.30
Benefit of Unabsorbed Depreciation	241.26	221.18
Income Tax Expense	639.46	1,152.37

Signature to Notes '1' to '39'

For and on behalf of the Board of Directors

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kolkata
11th May 2019

Independent Auditor's Report

TO THE MEMBERS OF
IFGL REFRACTORIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of IFGL Refractories Limited ("the Parent") and its Subsidiaries, (the Parent and its Subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2019 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditors on separate Financial Statements of the Subsidiaries referred to in the Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the Consolidated State of Affairs of the Group as at 31st March 2019 and their Consolidated Profit, their Consolidated Other Comprehensive Loss, their Consolidated Cash Flow and their Consolidated Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note 39 to the Consolidated Ind AS Financial Statements, relating to amalgamation of the erstwhile IFGL Refractories Limited with the Parent Company with effect from 1st April 2016 following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT) vide its Order dated 3rd August 2017 pursuant to Sections 230 and 232 of the Companies Act, 2013, which was accounted under the 'Purchase Method' as per Accounting Standard 14 - Accounting for Amalgamations (AS-14). Accordingly, the Parent Company had recognised goodwill on amalgamation aggregating to ₹ 26,699 lacs which is being amortised over a period of 10 years. This accounting treatment is different from that prescribed under Indian Accounting Standard (Ind AS) 103 - 'Business Combinations' for business combination of entities under common control.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report (Contd.)

Sr. No.	Key Audit Matter	Auditor's Response
1.	<p>Revenue Recognition : The Parent Company recognises revenue when control has been transferred to the customer as detailed out in the accounting policy Note 2.12 of the Standalone Financial Statements. The Parent Company has varied contract terms with customers for export sales. There is a risk of inappropriate revenue recognition if deliverables are recorded in the incorrect period or revenue is not accounted for in line with contractual terms with customers. The key audit matter focusses on recognition of revenue by reference to contracted shipping terms and the transfer of ownership for product and delivery spanning the year end.</p>	<p>Principal audit procedures performed : We obtained and understood controls instituted by the management of the Parent Company to determine the appropriateness of revenue recorded at the period end and to ensure cut-off. We performed test of details for revenue transactions to confirm the revenue transactions have been appropriately recorded in the statement of profit and loss and verified the underlying documents to establish that the control of the products have transferred to the customers.</p>
2.	<p>Goodwill arising on merger : The Parent Company had recognised Goodwill amounting to ₹ 26,699 lacs on account of merger of erstwhile IFGL Refractories Limited with the Parent Company as approved by the Hon'ble National Company Law Tribunal, Kolkata Bench vide Order dated 3rd August 2017. The goodwill so recognised is being amortised over a period of 10 years. The carrying value of the goodwill as on 31st March 2019 is ₹ 18,689 lacs. There is a risk that Cash Generating Units (CGUs) may not achieve the anticipated business performance to support the carrying value of these asset leading to an impairment charge that has not been recognised by the management. Significant management judgements and estimations are required in assessing the future cash flows of the CGUs.</p>	<p>Principal audit procedures performed : We obtained an understanding of controls instituted by the management of the Parent Company to assess impairment indicators and tested the operation of the management controls over the impairment assessment process and preparation of impairment workings. Our audit procedures included challenging management on the appropriateness of the impairment models and reasonableness of the assumptions used and appropriateness of methodology used and assumptions made for determining the fair value of assets by performing the following : Assessing the reliability of cash flow forecasts and coherence with market trend through a review of actual past performance and comparison to previous forecasts; Testing the mathematical accuracy and performed sensitivity analysis in order to assess the potential impact of changes in the inputs used on the recoverable amount; Performing a detailed analysis of the revenue and cost projections and various assumptions relating to revenue growth and raw material cost estimations, comparing the future revenue projections and raw material cost projections based on the past actual figures to understand the appropriateness of the management estimates.</p>

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Directors' cum Management Discussion and Analysis Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our Auditor's Report thereon.
- Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the Financial Information of the Subsidiaries Audited by the other auditors, to the extent it relates to those entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the Subsidiaries is traced from their financial information audited by the other auditors.
- Based on the work we have performed, we conclude that we have nothing to report in this regard.

Independent Auditor's Report *(Contd.)*

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance including Other Comprehensive Income, Consolidated Cash Flows and Consolidated Changes in Equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also :

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

Independent Auditor's Report (Contd.)

- Obtain sufficient appropriate audit evidence regarding the Financial Information of entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Information of entities or business activities included in the Consolidated Financial Statements of which we are the Independent Auditors. For the entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the Financial Information of 15 Subsidiaries whose Financial Information reflect Total Assets of ₹ 37,816.62 lacs as at 31st March 2019, Total Revenues of ₹ 46,113.54 lacs and Net Cash Inflows amounting to ₹ 358.64 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate Financial Information of the Subsidiaries referred to in the Other Matters section above we report, to the extent applicable that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

Independent Auditor's Report *(Contd.)*

- e) On the basis of the written representations received from the directors of the Parent Company as on 31st March 2019 taken on record by the Board of Directors of the Parent Company, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2019 from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**" which is based on the Auditors' Reports of the Parent Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of Internal Financial Controls over Financial Reporting of the Parent's Internal Financial Controls over Financial Reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, refer to Clause (xi) of our separate Report in "Annexure B" of the Standalone Auditor's Report.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
 - i) The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial Position of the Group in Note 32 of the Consolidated Financial Statements.
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent.

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

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata
11th May 2019

Annexure 'A' to the Independent Auditor's Report

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

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

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31st March 2019, we have audited the Internal Financial Controls over Financial Reporting of IFGL Refractories Limited (Formerly known as IFGL Exports Limited) (hereinafter referred to as "the Parent"), as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal Financial Controls over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March 2019, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note.

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

Abhijit Bandyopadhyay
Partner
(Membership No. 054785)

Kolkata
11th May 2019

Consolidated Balance Sheet as at 31st March 2019

(₹ in lacs)

	Note No.	As at 31st March 2019	As at 31st March 2018
A. ASSETS			
1. Non-Current Assets :			
a) Property, Plant and Equipment	4	14,380.09	12,202.63
b) Capital Work-in-Progress		630.74	819.71
c) Goodwill	5	12,092.49	12,229.30
d) Other Intangible Assets	6	18,938.82	21,701.42
e) Financial Assets :			
i) Investments	7	52.05	52.05
ii) Others	8	202.18	210.70
f) Income Tax Assets (Net)	10	1,175.29	1,014.51
g) Other Non-Current Assets	11	1,133.77	1,071.35
Total Non-Current Assets		48,605.43	49,301.67
2. Current Assets :			
a) Inventories	12	15,651.15	10,833.51
b) Financial Assets :			
i) Investments	7	4,553.74	1,270.38
ii) Trade Receivables	13	22,861.63	28,444.00
iii) Cash and Cash Equivalents	14(A)	7,634.11	7,372.60
iv) Bank Balances other than (iii) above	14(B)	1,152.95	737.65
v) Others	8	106.21	178.57
c) Other Current Assets	11	1,309.97	1,714.27
Total Current Assets		53,269.76	50,550.98
Total Assets (1+2)		101,875.19	99,852.65
B. EQUITY AND LIABILITIES			
1. Equity :			
a) Equity Share Capital	15	3,603.93	3,603.93
b) Other Equity	16	75,860.44	71,595.58
Attributable to Owners of the Parent		79,464.37	75,199.51
Non-Controlling Interest		-	-
Total Equity		79,464.37	75,199.51
LIABILITIES			
2. Non-Current Liabilities :			
a) Financial Liabilities :			
i) Borrowings	17	1,557.85	2,052.25
b) Provisions	18	24.59	23.56
c) Deferred Tax Liability (Net)	9	452.92	316.21
Total Non-Current Liabilities		2,035.36	2,392.02
3. Current Liabilities :			
a) Financial Liabilities :			
i) Borrowings	19	6,893.03	8,558.99
ii) Trade Payables :			
- Total outstanding dues of Micro Enterprises and Small Enterprises	20	246.43	380.86
- Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	20	12,192.01	12,159.79
iii) Other Financial Liabilities	21	842.55	1,009.27
b) Other Current Liabilities	22	168.04	118.12
c) Provisions	18	33.40	34.09
Total Current Liabilities		20,375.46	22,261.12
Total Equity and Liabilities (1+2+3)		101,875.19	99,852.65

See accompanying Notes forming part of the Consolidated Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kolkata
11th May 2019

Consolidated Statement of Profit and Loss for the year ended 31st March 2019

(₹ in lacs)

	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
I. REVENUE FROM OPERATIONS	23	94,026.27	83,931.07
II. Other Income	24	578.70	437.72
III. Total Income (I + II)		94,604.97	84,368.79
IV. EXPENSES :			
a) Cost of Materials Consumed	25	41,234.40	35,009.67
b) Purchases of Stock-in-Trade	26	9,381.46	6,531.72
c) Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(3,307.43)	597.73
d) Excise Duty on Sale of Goods		-	397.32
e) Employee Benefits Expense	28	14,618.05	12,669.05
f) Finance Costs	29	444.66	396.79
g) Depreciation and Amortisation Expense	6.2	4,602.02	4,379.56
h) Other Expenses	30	21,226.89	18,132.31
Total Expenses		88,200.05	78,114.15
V. PROFIT BEFORE TAX (III - IV)		6,404.92	6,254.64
VI. Tax Expense :			
1) Current Tax	40	1,495.60	1,451.81
2) Deferred Tax (Reversal)/Charge	40	(136.71)	104.57
3) Excess Provision of Tax relating to earlier years written back	40	-	(13.89)
Total Tax Expense		1,358.89	1,542.49
VII. PROFIT FOR THE YEAR (V - VI)		5,046.03	4,712.15
VIII. Other Comprehensive Loss :			
i) Items that will not be recycled to Profit or Loss Remeasurements of the Defined Benefit Plans		(32.36)	10.51
ii) Income Tax relating to above item		20.14	(17.02)
Other Comprehensive Loss for the year, Net of Tax		(12.22)	(6.51)
IX. Total Comprehensive Income for the year (VII + VIII)		5,033.81	4,705.64
Profit for the year			
Attributable to :			
- Owners of the Parent		5,046.03	4,712.15
Total Comprehensive Income for the year			
Attributable to :			
- Owners of the Parent		5,033.81	4,705.64
X. Earnings Per Equity Share :			
1) Basic (in ₹)	31	14.00	13.08
2) Diluted (in ₹)	31	14.00	13.08

See accompanying Notes forming part of the Consolidated Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kolkata
11th May 2019

Consolidated Cash Flow Statement for the year ended 31st March 2019

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
CASH FLOWS FROM OPERATING ACTIVITIES :		
Profit before Tax for the year	6,404.92	6,254.64
Adjustments for :		
Finance Costs	444.66	396.79
Interest Income	(160.24)	(98.11)
Liabilities no longer required Written Back	(13.74)	(171.31)
Loss on disposal of Property, Plant and Equipment	71.19	3.43
Gain on sale of Financial Assets	(68.11)	-
Net Gain arising on Financial Assets mandatorily measured at Fair Value through Profit or Loss	(141.96)	(80.60)
Sundry Debit Balances/Advances Written Off	15.76	20.81
Impairment (Reversal)/Loss recognised on Trade Receivables	(84.65)	291.34
Depreciation and Amortisation Expense	4,602.02	4,379.56
Amortisation of Prepaid Rent	23.37	9.65
Tax on Dividend	-	48.61
Unrealised Foreign Exchange Gain/(Loss)	37.68	(54.61)
Effect of change in Foreign Exchange Translation	(1.29)	1,966.95
	11,129.61	12,967.15
Movements in Working Capital :		
Decrease/(Increase) in Trade and Other Receivables	6,225.94	(6,620.45)
(Increase) in Inventories	(4,817.64)	(1,470.94)
(Decrease)/Increase in Trade and Other Payables	(80.81)	784.24
Cash generated from Operations	12,457.10	5,660.00
Income Taxes Paid	(1,519.68)	(1,550.37)
Net Cash generated by Operating Activities	10,937.42	4,109.63
CASH FLOWS FROM INVESTING ACTIVITIES :		
Payments to acquire Financial Assets	(6,406.40)	-
Proceeds on sale of Financial Assets	3,333.11	-
Funds placed in Bank Deposits	(415.30)	(572.33)
Interest Received	160.24	98.11
Payments for Property, Plant and Equipment, Other Intangibles and Capital Work-in-Progress	(3,939.35)	(4,485.94)
Proceeds from disposal of Property, Plant and Equipment	153.70	187.96
Net Cash (used in) Investing Activities	(7,114.00)	(4,772.20)

Consolidated Cash Flow Statement for the year ended 31st March 2019 (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
CASH FLOWS FROM FINANCING ACTIVITIES :		
Dividend on Equity Share and Dividend Distribution Tax thereon	(868.95)	(916.14)
Proceeds from Long-Term Borrowings	–	733.05
Repayment of Long-Term Borrowings	(494.40)	(62.50)
Proceeds from Short-Term Borrowings	1,042.76	2,428.57
Repayment of Short-Term Borrowings	(2,885.73)	–
Interest Paid	(444.66)	(396.79)
Net Cash(used in)/generated by Financing Activities	(3,650.98)	1,786.19
Exchange Differences on Translation of Foreign Currency	89.07	810.36
Net Increase in Cash and Cash Equivalents	261.51	1,933.98
Cash and Cash Equivalents at the beginning of the year	7,372.60	5,438.62
Cash and Cash Equivalents at the end of the year [Refer Note 14(A)]	7,634.11	7,372.60

Note :

The above Consolidated Cash Flow Statement has been prepared under the “Indirect Method” as set out in Ind AS - 7 “Statements of Cash Flow”.

See accompanying Notes forming part of the Consolidated Financial Statements.

In terms of our Report attached.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

Abhijit Bandyopadhyay

Partner

Kamal Sarda
 Director and Chief Executive Officer
 (DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
 Chairman
 (DIN : 00084004)

P Bajoria
 Managing Director
 (DIN : 00084031)

Rajesh Agarwal
 Company Secretary
 (FCS : 2825)

Sikander Yadav
 Chief Financial Officer

Kolkata
 11th May 2019

Statement of Changes in Equity for the year ended 31st March 2019

(₹ in lacs)

	Number of Shares	Share Capital
a. Equity Share Capital		
Issued and Paid up Capital as at 31st March 2017	36,039,312	3,603.93
Balance as at 31st March 2018	36,039,312	3,603.93
Changes in Equity Share Capital during the year	–	–
Balance as at 31st March 2019	36,039,312	3,603.93

	Reserves and Surplus		Foreign Exchange Translation Reserve	Other Comprehensive Loss	Equity attributable to the Owners of Parent	Non-Controlling Interest	Total
	Securities Premium	Retained Earnings					
b. Other Equity							
Balance as at 31st March 2017	39,747.97	24,513.07	1,157.39	(447.84)	64,970.59	3.05	64,973.64
Add : Profits for the year	–	4,712.15	–	–	4,712.15	–	4,712.15
Less : Utilised for Dividend Payment	–	(720.79)	–	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(146.74)	–	–	(146.74)	–	(146.74)
Add/(Less) : Other Comprehensive Income (Net of Tax)	–	–	2,825.13	(6.51)	2,818.62	–	2,818.62
Add/(Less) : Transfers within Equity	–	3.05	–	–	3.05	(3.05)	–
Less : Other Movements	–	(41.30)	–	–	(41.30)	–	(41.30)
Balance as at 31st March 2018	39,747.97	28,319.44	3,982.52	(454.35)	71,595.58	–	71,595.58
Add : Profits for the year	–	5,046.03	–	–	5,046.03	–	5,046.03
Less : Utilised for Dividend Payment	–	(720.79)	–	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(148.16)	–	–	(148.16)	–	(148.16)
Add/(Less) : Other Comprehensive Income/(Loss) (Net of Tax)	–	–	100.00	(12.22)	87.78	–	87.78
Balance as at 31st March 2019	39,747.97	32,496.52	4,082.52	(466.57)	75,860.44	–	75,860.44

In terms of our Report attached.
For **DELOITTE HASKINS & SELLS**
Chartered Accountants
Abhijit Bandyopadhyay
Partner

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

Kolkata
11th May 2019

Notes to the Consolidated Financial Statements

(₹ in lacs)

1. The Consolidated Financial Statements (CFS) of the Company/Holding Company [i.e. IFGL Refractories Limited (Formerly known as “IFGL Exports Limited”)] and its Subsidiaries (together the ‘Group’) have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The Consolidated Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

2. PRINCIPLES OF CONSOLIDATION :

2.1 The CFS comprises of the Financial Statements of the Company and its Subsidiary Companies (Group). It has been 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 Standalone 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 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 other Equity (Foreign Currency Translation Reserve) by the Company until the disposal of Investment.
- e) Non-controlling 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 Minorities’ Share of movement in Equity since the date Parent – Subsidiary relationship came into existence.
 - Total Comprehensive Income is attributed to Non-controlling Interests even if it results in the Non-controlling Interests having a deficit balance.
- 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 2018. These Subsidiaries have been consolidated using the Financial Statements for the year ended on that date adjusted for movements upto 31st March 2019.

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
Step down Subsidiaries			
IFGL Monocon Holdings Limited (IMHL)	United Kingdom (UK)	100%	31st March
Tianjin Monocon Refractories Company Limited (TMRL)	Peoples Republic of China	100%	31st December
Tianjin Monocon Aluminous Refractories Company Limited (TMARL)	Peoples Republic of China	100%	31st December
Monotec Refratarios Ltda (MRL)	Brazil	95%	31st December
Monocon International Refractories Limited (MIRL)	UK	100%	31st March
Monocon Overseas Limited (MOL)	UK	100%	31st March
Mono Ceramics Inc. (MCI)	United States of America (USA)	100%	31st March
Goricon Metallurgical Services Limited (GMSL)	UK	100%	31st March
IFGL GmbH (IG)	Germany	100%	31st March
Hofmann Ceramic GmbH (HCG)	Germany	100%	31st March
Hofmann Ceramic CZ s.r.o. (HCC)	Czech Republic	98.78%	31st March
Hofmann Ceramic Limited (HCL) (dissolved w.e.f 5th February 2019)	UK	100%	31st March
IFGL Inc. (IFGL INC)	USA	100%	31st March
EI Ceramics LLC (EICLLC)	USA	100%	31st March

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

3. Accounting policies for the Subsidiaries are same as followed by the Company as indicated in Note 2 of the Company's Standalone Financial Statements for the year ended 31st March 2019, except as follows :

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

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

Depreciation charge for the year and year end accumulated depreciation pertaining to the aforesaid Subsidiaries amount to ₹ 782.60 (31st March 2018 : ₹ 582.15) respectively and ₹ 8,683.06 (31st March 2018 : ₹ 8,461.62) 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 2019	As at 31st March 2018
Depreciation	17.01%	13.29%
Accumulated Depreciation	30.77%	34.36%

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 27% (31st March 2018 : 31%). However, had the Weighted Average Method being used at the Subsidiaries, the impact on Inventory Valuation is likely to be not material.

	As at 31st March 2019	As at 31st March 2018
4. PROPERTY, PLANT AND EQUIPMENT :		
Net Carrying amounts of :		
Land (Freehold)	1,670.91	761.13
Buildings	4,397.63	4,303.18
Plant and Equipment	7,768.50	6,673.96
Furniture and Fixtures	90.28	94.43
Leasehold Improvements	8.94	8.97
Vehicles	293.83	183.00
Office Equipment	98.65	113.82
Computers	51.35	64.14
Total	14,380.09	12,202.63

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2017	Additions	Withdrawals and Adjustments	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2018	Additions	Withdrawals and Adjustments	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2019
Gross Carrying Amount - Cost									
Land (Freehold)	713.75	–	–	47.38	761.13	894.32	–	15.46	1,670.91
Buildings	6,695.86	100.50	–	286.88	7,083.24	204.76	30.31	108.77	7,366.46
Plant and Equipment	19,219.75	1,447.35	739.49	711.44	20,639.05	2,783.75	709.88	65.54	22,778.46
Furniture and Fixtures	476.94	10.10	16.29	30.53	501.28	9.66	–	1.14	512.08
Leasehold Improvements	48.91	–	–	–	48.91	–	–	–	48.91
Vehicles	472.94	38.72	32.45	17.21	496.42	164.57	30.14	1.15	632.00
Office Equipment	393.54	31.14	–	26.51	451.19	29.46	0.92	(2.26)	477.47
Computers	464.96	49.55	–	36.14	550.65	22.46	9.73	(0.17)	563.21
Total	28,486.65	1,677.36	788.23	1,156.09	30,531.87	4,108.98	780.98	189.63	34,049.50

	As at 31st March 2017	Charge for the year	Elimination on Disposals of Assets	Adjustments	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2018	Charge for the year	Elimination on Disposals of Assets	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2019
Depreciation										
Land (Freehold)	–	–	–	–	–	–	–	–	–	–
Buildings	2,401.85	196.15	–	–	182.06	2,780.06	207.05	23.58	5.30	2,968.83
Plant and Equipment	12,750.27	1,289.22	555.64	(3.59)	484.83	13,965.09	1,492.05	502.93	55.75	15,009.96
Furniture and Fixtures	378.85	15.26	14.66	–	27.40	406.85	16.08	–	(1.13)	421.80
Leasehold Improvements	30.91	9.03	–	–	–	39.94	–	–	0.03	39.97
Vehicles	282.15	47.94	26.54	–	9.87	313.42	43.94	19.19	–	338.17
Office Equipment	277.55	38.66	–	–	21.16	337.37	44.00	0.52	(2.03)	378.82
Computers	419.40	33.21	–	–	33.90	486.51	32.77	9.87	2.45	511.86
Total	16,540.98	1,629.47	596.84	(3.59)	759.22	18,329.24	1,835.89	556.09	60.37	19,669.41

4.1 The details of Property, Plant and Equipment pledged against borrowings are presented in Note 17 and Note 19.

	As at 31st March 2019	As at 31st March 2018
5. GOODWILL		
Balance transferred on account of Amalgamation	12,229.30	10,890.89
Add : Movement during the year	(136.81)	1,338.41
Closing Balance as at the end of the year	12,092.49	12,229.30

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
6. OTHER INTANGIBLE ASSETS :		
Net Carrying amounts of :		
Goodwill (arising on Amalgamation)	18,689.61	21,359.56
Computer Software	61.38	128.83
Intellectual Property Rights (Technical Know-how) (Refer Note 6.1 below)	187.83	213.03
Total	18,938.82	21,701.42

	As at 31st March 2017	Additions	Exchange Difference on Consolidation	As at 31st March 2018	Additions	Withdrawals and Adjustments	Exchange Difference on Consolidation	As at 31st March 2019
Gross Carrying Amount								
Goodwill (arising on Amalgamation)*	26,699.46	–	–	26,699.46	–	–	–	26,699.46
Goodwill (arising on Acquisition)	1.81	–	1.35	3.16	–	–	7.28	10.44
Computer Software	167.46	120.49	7.10	295.05	9.45	–	(2.15)	302.35
Intellectual Property Rights (Technical Know-how) (Refer Note 6.1 below)	459.86	–	35.06	494.92	–	12.68	(6.14)	476.10
Total	27,328.59	120.49	43.51	27,492.59	9.45	12.68	(1.01)	27,488.35

	As at 31st March 2017	Charge for the year	Exchange Difference on Consolidation	As at 31st March 2018	Charge for the year	Withdrawals and Adjustments	Exchange Difference on Consolidation	As at 31st March 2019
Amortisation								
Goodwill (arising on Amalgamation)*	2,669.95	2,669.95	–	5,339.90	2,669.95	–	–	8,009.85
Goodwill (arising on Acquisition)	1.81	–	1.35	3.16	–	–	6.00	9.16
Computer Software	101.13	61.55	3.54	166.22	76.27	–	(1.52)	240.97
Intellectual Property Rights (Technical Know-how) (Refer Note 6.1 below)	259.58	18.59	3.72	281.89	19.91	12.68	(0.84)	288.28
Total	3,032.47	2,750.09	8.61	5,791.17	2,766.13	12.68	3.64	8,548.26

*Represents Goodwill arising on Amalgamation of erstwhile IFGL Refractories Limited with the Company fully described in Note 39.

6.1 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 2019	For the year ended 31st March 2018
6.2 Depreciation and Amortisation Expense		
Depreciation on Tangible Assets	1,835.89	1,629.47
Amortisation of Intangible Assets	2,766.13	2,750.09
Total	4,602.02	4,379.56

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019			As at 31st March 2018		
	QTY	Current	Non-Current	QTY	Current	Non-Current
7. INVESTMENTS						
A. Investments carried at Amortised Cost						
Quoted						
Investments in Non Convertible Debentures or Bonds						
Power Finance Corporation Limited [8.09% Tax Free Bonds of Face Value ₹ 100,000 each]	50	–	52.05	50	–	52.05
INVESTMENTS CARRIED AT AMORTISED COST [A]		–	52.05		–	52.05
B. Investments carried at Fair Value through Profit and Loss (FVTPL)						
Quoted Investments						
Investments in Mutual Funds						
– Axis Liquid Fund - Direct Plan - Growth Option	20,610	427.36	–	–	–	–
– Franklin India Ultra Short Fund - Superinstitutional - Direct Growth	7,226,248	1,906.56	–	–	–	–
– Franklin India Liquid Fund - Superinstitutional - Direct Growth	7,210	201.77	–	–	–	–
– Franklin India Low Duration Fund - Direct Growth	285,174	652.73	–	–	–	–
– IDFC Corporate Bond Fund - Direct Plan - Growth	9,614,624	1,236.48	–	9,614,624	1,150.90	–
– Reliance Medium Term Fund - Direct Growth Plan - Growth Option	321,175	128.84	–	321,175	119.48	–
INVESTMENTS CARRIED AT FVTPL [B]		4,553.74	–		1,270.38	–
TOTAL INVESTMENTS CARRYING VALUE (A) + (B)		4,553.74	52.05		1,270.38	52.05
Other Disclosures						
Aggregate amount of Quoted Investments		4,553.74	52.05		1,270.38	52.05
Aggregate Market Value of Quoted Investments		4,553.74	53.00		1,270.38	52.98

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
8. OTHER FINANCIAL ASSETS				
a) Bank Deposits with more than 12 months maturity	–	28.70	–	96.18
b) Interest accrued on Deposits	30.81	–	10.91	–
c) Security Deposits	69.76	173.48	84.74	114.52
d) Claims Receivable	5.64	–	82.92	–
Total	106.21	202.18	178.57	210.70

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

9. DEFERRED TAX LIABILITIES (NET)

A. Components of Deferred Tax Assets and (Liabilities) as at 31st March 2019 is as below :

	Balance as at 1st April 2018	Recognised/ (Reversed) in Statement of Profit and Loss	Balance as at 31st March 2019
Deferred Tax Assets			
Unabsorbed Depreciation carried forward	1,558.91	(241.25)	1,317.66
Accrued Expenses deductible when paid and Allowance for Doubtful Debts	410.31	(26.05)	384.26
Expenses related to Amalgamation	10.87	0.55	11.42
MAT Credit Entitlement	1,199.01	693.53	1,892.54
Unrealised Profit on Unsold Stock and Capital Goods	36.75	6.20	42.95
	3,215.85	432.98	3,648.83
Deferred Tax Liabilities			
Property, Plant and Equipment and Intangible Assets	3,436.27	369.29	3,805.56
Others	95.79	200.40	296.19
	3,532.06	569.69	4,101.75
Net Deferred Tax Assets/(Liabilities)	(316.21)	(136.71)	(452.92)

B. Components of Deferred Tax Assets and (Liabilities) as at 31st March 2018 is as below :

	Balance as at 1st April 2017	Recognised/ (Reversed) in Statement of Profit and Loss	Balance as at 31st March 2018
Deferred Tax Assets			
Unabsorbed Depreciation carried forward	1,780.09	(221.18)	1,558.91
Accrued Expenses deductible when paid and Allowance for Doubtful Debts	112.68	297.63	410.31
Expenses related to Amalgamation	–	10.87	10.87
MAT Credit Entitlement	407.96	791.05	1,199.01
Unrealised Profit on Unsold Stock and Capital Goods	50.72	(13.97)	36.75
	2,351.45	864.40	3,215.85
Deferred Tax Liabilities			
Property, Plant and Equipment and Intangible Assets	2,521.43	914.84	3,436.27
Others	41.66	54.13	95.79
	2,563.09	968.97	3,532.06
Net Deferred Tax Assets/(Liabilities)	(211.64)	(104.57)	(316.21)

MAT paid in excess of regular Income Tax during a year can be carried forward for a period of 15 years and can be offset against future Tax Liabilities.

	As at 31st March 2019	As at 31st March 2018
10. INCOME TAX ASSETS (NET)		
Advance Income Tax (Net of Provisions - 31st March 2019 : ₹ 4,582.55, 31st March 2018 : ₹ 4,305.21)	1,175.29	1,014.51
Total	1,175.29	1,014.51

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
11. OTHER ASSETS				
a) Capital Advances	–	153.12	–	312.36
b) Advances to Suppliers	525.85	–	816.38	–
c) Balances with Government Authorities (other than Income Tax)	450.00	4.32	777.06	16.34
d) Pre-payments	275.51	–	95.24	–
e) Advance to Employees for Expenses	35.24	–	15.94	–
f) Prepaid Lease Payments	23.37	976.33	9.65	742.65
Total	1,309.97	1,133.77	1,714.27	1,071.35

	As at 31st March 2019	As at 31st March 2018
12. INVENTORIES		
a) Raw Materials and Components (includes in transit)	6,469.54	5,044.05
b) Work-in-Progress	2,210.08	1,660.73
c) Finished Goods (includes in transit)	6,179.61	3,558.96
d) Stock-in-Trade	245.06	154.91
e) Stores and Spares	546.86	414.86
Total	15,651.15	10,833.51

	As at 31st March 2019	As at 31st March 2018
13. TRADE RECEIVABLES		
a) Trade Receivables - Considered Good - Unsecured	22,861.63	28,444.00
b) Trade Receivables - Credit Impaired	1,455.76	1,254.62
Less : Allowance for Impairment Losses	(1,455.76)	(1,254.62)
Total	22,861.63	28,444.00

	As at 31st March 2019	As at 31st March 2018
14. CASH AND BANK BALANCES		
A) Cash and Cash Equivalents		
Unrestricted Balances with Banks		
- In Current Accounts	7,604.57	7,239.82
- Remittance in Transit	–	57.26
Cheques, Drafts on Hand	–	32.65
Cash on Hand	29.54	42.87
Total	7,634.11	7,372.60
B) Bank Balances other than (A) above		
- Deposits with original maturity beyond 3 months but not exceeding 12 months	1,061.09	655.77
- Unclaimed Dividend Accounts	91.86	81.88
Total	1,152.95	737.65

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	Number of Shares	Share Capital
15. SHARE CAPITAL :		
Authorised Share Capital :		
Balance as at 31st March 2018	43,000,000	4,300.00
Changes in Capital during the period	-	-
Balance as at 31st March 2019	43,000,000	4,300.00
5% Redeemable Preference Shares of ₹ 100/- each		
Balance as at 31st March 2018	2,000,000	2,000.00
Changes in Preference Shares Capital during the period	-	-
Balance as at 31st March 2019	2,000,000	2,000.00
Issued and Paid up Capital		
Balance as at 31st March 2018	36,039,312	3,603.93
Changes in Equity Share Capital during the period	-	-
Balance as at 31st March 2019	36,039,312	3,603.93

15.1 Share issued pursuant to the Scheme of Amalgamation

Pursuant to the Scheme of Amalgamation as detailed in Note 39, the Company issued and allotted 34,610,472 Equity Shares of ₹ 10/- each fully paid and 1,487,160 Equity Shares of the Company of ₹ 10/- each fully paid held by erstwhile IFGL Refractories Limited were cancelled on 18th September 2017.

15.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having face value of ₹ 10/- each. Each holder of such shares is entitled to 1 vote per share. In the event of liquidation of the Company, the Equity Shareholders will be entitled to receive the remaining Assets of the Company, after distribution of all preferential amounts, in proportion to their Shareholding. The Company in their General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board of Directors of the Company.

15.3 Shares held by the Parent and Subsidiaries of the Parent

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Bajoria Financial Services Private Limited	18,454,353	51.21	18,454,353	51.21
Bajoria Enterprises Limited (BEL) - Fellow Subsidiary	270	0.00	270	0.00

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

Name of the Shareholder	As at 31st March 2019		As at 31st March 2018	
	No. of Shares	% Holding	No. of Shares	% Holding
Bajoria Financial Services Private Limited	18,454,353	51.21	18,454,353	51.21
Krosaki Harima Corporation, Japan - Foreign Promoter of the Company	5,590,156	15.51	5,590,156	15.51

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	Reserves and Surplus		Foreign Exchange Translation Reserve	Other Comprehensive Income	Equity attributable to the share- holders of the Group	Non- Controlling Interest	Total
	Securities Premium	Retained Earnings					
16. OTHER EQUITY							
Balance as at 31st March 2017	39,747.97	24,513.07	1,157.39	(447.84)	64,970.59	3.05	64,973.64
Add : Profits for the year	–	4,712.15	–	–	4,712.15	–	4,712.15
Less : Utilised for Dividend Payment	–	(720.79)	–	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(146.74)	–	–	(146.74)	–	(146.74)
Add/(Less) : Other Comprehensive Income (Net of Tax)	–	–	2,825.13	(6.51)	2,818.62	–	2,818.62
Add/(Less) : Transfers within Equity	–	3.05	–	–	3.05	(3.05)	–
Less : Other Movements	–	(41.30)	–	–	(41.30)	–	(41.30)
Balance as at 31st March 2018	39,747.97	28,319.44	3,982.52	(454.35)	71,595.58	–	71,595.58
Add : Profits for the year	–	5,046.03	–	–	5,046.03	–	5,046.03
Less : Utilised for Dividend Payment	–	(720.79)	–	–	(720.79)	–	(720.79)
Less : Utilised for Dividend Tax Payment	–	(148.16)	–	–	(148.16)	–	(148.16)
Add/(Less) : Other Comprehensive Income/ (Loss) (Net of Tax)	–	–	100.00	(12.22)	87.78	–	87.78
Balance as at 31st March 2019	39,747.97	32,496.52	4,082.52	(466.57)	75,860.44	–	75,860.44

Notes :

- Securities Premium is used to record the premium on issue of shares. The same is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- Retained Earnings represents the Profits that the Company has earned till date, less any Dividends or other distributions to the Shareholders.
- During the year ended 31st March 2019, the Company's Shareholders have declared Dividend of ₹ 2/- per share which resulted in an outflow of ₹ 868.95 including Dividend Distribution Tax of ₹ 148.16 and accordingly has been accounted in the year of declaration by the Shareholders.

The Board of Directors of the Company have proposed a Dividend of ₹ 2.50 per share for financial year ended on 31st March 2019 which would result in an outflow of ₹ 1,086.18 including Dividend Distribution Tax of ₹ 185.20. Pending approval of the Shareholders, the same has not been recognised in these Consolidated Financial Statements.

	As at 31st March 2019	As at 31st March 2018
17. NON CURRENT BORROWINGS :		
Measured at Amortised Cost		
Secured Borrowings :		
Term Loans		
From Banks		
- DBS Bank India Limited [Refer Note 17.1 (i) below]	–	187.50
- From Fifth Third Bank [Refer Note 17.1 (ii) below]	240.23	300.30
- From Volksbank Dill eG [Refer Note 17.1 (iii) below]	1,032.84	1,209.90
- From Commerzbank AG [Refer Note 17.1 (iv) below]	284.78	354.55
Total	1,557.85	2,052.25

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

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

- i) **Term Loans from DBS Bank India Limited** is repayable in quarterly equal instalments of ₹ 62.50 lacs each at an interest rate of 9.40% p.a. This is secured by a first charge over entire moveable and immovable Property, Plant and Equipment, both present and future and second charge on the entire Current Assets including Receivables, both present and future of SEZ unit of the Company located in Kandla.
- ii) **Loan from Fifth Third Bank at EI Ceramics LLC** is secured by specific real estates and properties of the Company.
- iii) **Term Loan (Euro Currency) from Volksbank Dill eG of Hofmann Ceramic GmbH** is secured by :
 - a) Mortgage of small investments and investments in Hofmann CZ plant.
 - b) Specific Plant and Machineries of that Company.
- iv) **Loan from Commerzbank AG** is secured by specific Plant and Machinery of Hofmann Ceramic GmbH.

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
18. PROVISIONS				
a) Provision for Employee Benefits				
- Compensated Absences	1.09	24.59	1.78	23.56
b) Other Provisions				
- Sales Tax	18.49	–	18.49	–
- Entry Tax	13.82	–	13.82	–
Total	33.40	24.59	34.09	23.56

	As at	As at
	31st March 2019	31st March 2018
19. CURRENT BORROWINGS :		
Secured Borrowings		
Working Capital Loans repayable on Demand		
- From State Bank of India (Refer Note 19.1 below)	2,896.33	4,260.87
- From ICICI Bank Limited (Refer Note 19.1 below)	1,347.63	473.87
- From Yes Bank Limited (Refer Note 19.1 below)	0.62	1,329.56
- From DBS Bank India Limited (Refer Note 19.1 below)	2,302.44	2,494.69
- From Post-bank (Refer Note 19.2 below)	82.98	–
- From Volksbank Dill eG (Refer Note 19.2 below)	33.18	–
Total Secured Borrowings	6,663.18	8,558.99
Unsecured Borrowings		
Working Capital Loans repayable on Demand		
- From Bank Bezirkssparkasse	133.70	–
- From Commerzbank AG	96.15	–
Total Unsecured Borrowings	229.85	–
Total	6,893.03	8,558.99

19.1 The Loans from State Bank of India, ICICI Bank Limited, Yes Bank Limited and DBS Bank India Limited are 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 Property, Plant and Equipment of the Company on pari passu basis.

19.2 Mortgage of small investments of Hofmann Ceramic GmbH.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
20. TRADE PAYABLES		
Total Outstanding dues of Micro Enterprises and Small Enterprises	246.43	380.86
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	12,192.01	12,159.79
Total	12,438.44	12,540.65

	As at 31st March 2019	As at 31st March 2018
21. OTHER FINANCIAL LIABILITIES		
a) Current Maturities of Long-Term Debt	486.16	634.51
b) Unpaid Dividends	91.86	81.68
c) Deposits	35.47	11.21
d) Payables for Employee Benefits	182.38	219.80
e) Creditors for Capital Supplies/Services	46.68	52.95
f) Foreign Currency Forward Contracts not designated as a Hedging Instruments	–	9.12
Total	842.55	1,009.27

	As at 31st March 2019	As at 31st March 2018
22. OTHER CURRENT LIABILITIES		
a) Advances received from Customers	19.40	17.28
b) Statutory Dues	148.64	100.84
Total	168.04	118.12

	For the year ended 31st March 2019	For the year ended 31st March 2018
23. REVENUE FROM OPERATIONS		
Revenue from Sale of Products :		
Finished Goods	80,781.89	70,992.85
Traded Goods	11,973.92	11,488.23
Revenue from Sale of Products	92,755.81	82,481.08
Service Income	1,203.86	1,422.42
Other Operating Revenue	66.60	27.57
Total	94,026.27	83,931.07

	For the year ended 31st March 2019	For the year ended 31st March 2018
24. OTHER INCOME :		
Interest Income (Refer Note 24.1 below)	160.24	98.11
Liabilities no longer required written back	13.74	171.31
Other Non Operating Income (Refer Note 24.2 below)	404.72	168.30
Total	578.70	437.72

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
24.1 Details of Interest Income		
Interest Income earned on Financial Assets that are not designated at Fair Value through Profit or Loss :		
- on Bank Deposits at Amortised Cost	71.83	54.23
- on Delayed Payment by Customers at Amortised Cost	75.78	29.40
- on Other Deposits at Amortised Cost	12.63	14.48
Total	160.24	98.11

No interest was capitalised during the year.

	For the year ended 31st March 2019	For the year ended 31st March 2018
24.2 Other Non Operating Income		
Profit on sale of Current Investments	68.11	–
Gain on Fair Valuation of Investments through Profit and Loss :		
- on Current Investments	141.96	80.60
Sundry Receipts	194.65	87.70
Total	404.72	168.30

	For the year ended 31st March 2019	For the year ended 31st March 2018
25. COST OF MATERIALS CONSUMED		
Raw Materials (including Packing Materials)	41,234.40	35,009.67
Total	41,234.40	35,009.67

	For the year ended 31st March 2019	For the year ended 31st March 2018
26. PURCHASES OF STOCK-IN-TRADE		
Purchases of Stock-in-Trade	9,381.46	6,531.72
Total	9,381.46	6,531.72

	For the year ended 31st March 2019		For the year ended 31st March 2018	
27. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Opening Stock				
Finished Goods and Stock-in-Trade	3,713.87		4,111.53	
Work-in-Progress	1,660.73	5,374.60	1,438.55	5,550.08
Less : Closing Stock				
Finished Goods and Stock-in-Trade	6,424.67		3,713.87	
Work-in-Progress	2,210.08		1,660.73	
Adjustments for changes in Foreign Currency Rates	47.28	8,682.03	(422.25)	4,952.35
Total		(3,307.43)		597.73

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
28. EMPLOYEE BENEFITS EXPENSE :		
Salaries, Wages and Bonus	12,929.01	11,109.76
Contribution to Provident and other Funds	956.41	791.66
Staff Welfare Expenses	732.63	767.63
Total	14,618.05	12,669.05

28.1 Provident Fund (Funded)

Provident Fund contributions in respect of employees up to August 2017 of erstwhile IFGL Refractories Limited are made to a Trustee managed exempted Fund and interest paid to members thereof is not lower than that declared annually by the Central Government. Shortfall, if any, is made good by the Holding Company. Membership to said Fund has been closed on and from 1st September 2017, subject to necessary approvals and/or permissions. Based on the final guidance for measurement of Provident Fund Liabilities of the Trustee managed fund issued by the Actuarial Society of India, the Holding Company's liability at the year end of ₹ NIL (31st March 2018 : ₹ Nil) has been actuarially determined by an independent actuary using the Projected Unit Credit Method and provided for.

Provident Fund in respect of remaining employees of the Holding Company are made to statutory Provident Fund established by the Central Government. The Holding Company has recognised in the Statement of Profit and Loss for the year ended 31st March 2019 an amount of ₹ 245.18 (31st March 2018 : ₹ 256.25) as expenses under Defined Contribution Plans.

28.2 Gratuity (Funded)

The Holding Company provides for Gratuity benefit to its employees. Employees of erstwhile IFGL Refractories Limited are provided Gratuity benefits through a Trustee managed Fund, membership whereof has been closed on and from 1st September 2017 and awaiting merger with that of similar Fund of the Holding Company, subject to necessary approvals and permissions. Gratuity entitlement of the employees is as per provisions of the Payment of Gratuity Act, 1972. However, in case of employees joining before 1st April 2003 of erstwhile IFGL Refractories Limited, they are entitled to Gratuity as per scheme framed by that Company or as per the Payment of Gratuity Act, 1972, whichever is higher.

Liabilities with regard to the Gratuity Plan is determined by Actuarial Valuation using the Projected Unit Credit Method, based on which the Holding Company makes contribution to the Fund. The most recent Actuarial Valuation of the Funds was carried out as at 31st March 2019.

28.3 Superannuation (Funded)

Certain employees joined before 31st March 2004 of erstwhile IFGL Refractories Limited are members of a Trustee managed Superannuation Fund. Said Fund provides for Superannuation benefit on retirement/death/incapacitation/termination and was amended from the Defined Benefit to Defined Contribution Plan effective 1st April 2004. Defined Benefits Plan entitlements were frozen as on 31st March 2004. Necessary formalities/approvals have been complied with and obtained.

28.4 Compensated Absence (Unfunded)

The Holding Company provides for encashment of Accumulated Leave Benefit for eligible employees (i.e. workmen) at the time of retirement, death, incapacitation or termination of employment, subject to a maximum of one hundred and twenty days based on the last drawn Salary. Liabilities are determined by Actuarial Valuation using the Projected Unit Credit Method.

28.5 Plans at Overseas Subsidiaries

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

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

28.6 Following are the further particulars with respect to Defined Benefit Plans of the Group for the year ended 31st March 2019 :

	Gratuity (Funded)		Superannuation (Funded)		Compensated Absence (Unfunded)		Step down Subsidiary Benefit Scheme (Funded)	
	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018
a) Reconciliation of the Opening and Closing Balances of Present Value of Defined Benefit Obligation :								
Present Value of Obligation as at the beginning of the year (including Liabilities taken over pursuant to Amalgamation)	904.39	851.29	118.24	114.90	25.34	26.99	2,692.75	2,363.91
Service Cost	65.57	64.46	-	-	6.05	6.46	-	-
Interest Cost	66.87	57.57	8.89	7.79	1.84	1.83	65.01	66.17
Actuarial (Gains)/Losses	59.28	(35.15)	2.37	(0.34)	(5.26)	(9.00)	208.76	38.67
(Benefits Paid)	(48.99)	(33.78)	(2.50)	(4.11)	(2.29)	(0.94)	(468.79)	(68.75)
Exchange Differences on Foreign Plans	-	-	-	-	-	-	(28.05)	292.75
Present Value of Obligation as at the end of the year	1,047.12	904.39	127.00	118.24	25.68	25.34	2,469.68	2,692.75
b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets :								
Fair Value of Plan Assets as at the beginning of the year (including Assets taken over pursuant to Amalgamation)	896.40	845.27	515.36	490.28	-	-	3,846.54	3,246.72
Interest Income	69.49	57.92	39.07	33.69	-	-	94.31	91.96
Remeasurement Gains/(Losses)	(3.61)	5.04	1.01	(4.50)	-	-	-	-
Contribution by the Company	85.00	21.95	-	-	-	-	-	-
(Benefits Paid)	(48.99)	(33.78)	(2.50)	(4.11)	-	-	(468.79)	(68.75)
Exchange Differences on Foreign Plans	-	-	-	-	-	-	55.04	576.61
Fair Value of Plan Assets as at the end of the year	998.29	896.40	552.94	515.36	-	-	3,527.10	3,846.54
c) Reconciliation of the Present Value of Defined Benefit Obligation and Fair Value of the Plan Assets :								
Fair Value of Plan Assets as at the end of the year	998.29	896.40	552.94	515.36	-	-	3,527.10	3,846.54
Present Value of Obligation as at the end of the year	1,047.12	904.39	127.00	118.24	25.68	25.34	2,469.68	2,692.75
Assets/(Liabilities) recognised in the Balance Sheet	(48.83)	(7.99)	425.94 #	397.12 #	(25.68)	(25.34)	1,057.42	1,153.79
# Actual amount of asset in the Balance Sheet Nil (31.03.2018 : Nil)								
d) Expense recognised in the Statement of Profit and Loss :								
Employee Benefits Expense :								
Service Cost	65.57	64.46	-	-	6.05	6.46	-	-
Net Interest Expenses	(2.62)	(0.35)	(30.18)	(25.90)	1.84	1.83	(29.30)	(25.79)
Non Recoverable Assets written off	-	-	-	-	-	-	208.76	(38.67)
Other Comprehensive Income :								
Actuarial (Gain)/Loss	62.89	(40.19)	1.36	4.16	(5.26)	(9.00)	208.76	38.67
Total Expense as per the Actuarial Valuation	125.84	23.92	(28.82)	(21.74)	2.63	(0.71)	388.22	(25.79)
Actual Expenses Recognised	125.84**	23.92**	-	-	2.63*	(0.71)*	388.22	(25.79)

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

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

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 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018	For the year ended 31st March 2019	For the year ended 31st March 2018
	%	%	%	%	%	%	%	%
e) Category of Plan Assets :								
GOI Securities	0.45	0.45	2.00	2.13	NA	NA	-	-
Bonds	-	0.19	-	0.13	NA	NA	-	-
State Government/State Government Guaranteed Securities	-	-	-	-	NA	NA	-	-
Units of Insurers	97.00	98.47	95.00	93.89	NA	NA	-	-
Others (including Bank Balances)	2.55	0.89	3.00	3.85	NA	NA	-	-
Scottish Mutual with Profit Deferred Annuity	-	-	-	-	NA	NA	100.00	100.00
	100.00	100.00	100.00	100.00	NA	NA	100.00	100.00
f) Principal Actuarial Assumptions :								
Discount Rate (per annum) (%)	7.00	7.60	7.00	7.60	7.00	7.60	2.40	2.60
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA	6.00	6.00	NA	NA
Remaining Working Life (in years)	22.17	22.31	8.30	9.08	22.48	23.21	2.20	2.20
Mortality Rate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	Indian Assured Lives Mortality (2006-2008) (modified) Ultimate	@	@
Method Used	Projected Unit Credit Method						Discounted Income Approach	
Actual Return on Plan Assets	65.88	62.96	40.08	29.19	NA	NA	NA	NA
@ The mortality assumptions adopted at 31st March 2019 imply the following future life expectancies :								
Male currently age 65							22.00	22.10
Female currently age 65							23.90	24.00

g) Other Disclosures :

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.

Sensitivity Analysis

The sensitivity of Defined Benefit Obligations to changes in the weighted principal assumptions is :

	As at 31st March 2019		As at 31st March 2018	
	Impact on Defined Benefit Obligation (Gratuity)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to sensitivity	(44.12)	49.76	(43.21)	48.23
Salary Growth Rate (-/+ 1%) % change compared to base due to sensitivity	49.35	(44.67)	48.28	(44.16)

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019		As at 31st March 2018	
	Impact on Defined Benefit Obligation (Superannuation)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to sensitivity	(2.03)	2.11	(2.84)	2.95
Salary Growth Rate (-/+ 1%) % change compared to base due to sensitivity	NA	NA	NA	NA

	As at 31st March 2019		As at 31st March 2018	
	Impact on Defined Benefit Obligation (Compensated Absence)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to sensitivity	(1.72)	1.94	(1.74)	1.96
Salary Growth Rate (-/+ 1%) % change compared to base due to sensitivity	1.94	(1.75)	1.96	(1.78)

	As at 31st March 2019		As at 31st March 2018	
	Impact on Step down Subsidiary Benefit Scheme (Funded)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.1%) % change compared to base due to sensitivity	(50.42)	50.42	(53.86)	53.86
Inflation Rate (-/+ 0.1%) % change compared to base due to sensitivity	50.42	(50.42)	53.86	(53.86)
Life Expectancy (-/+1 year) change in compared to base due to sensitivity	50.42	(50.42)	53.86	(53.86)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the Defined Benefit Obligation to significant actuarial assumptions, the same method (Present Value of the Defined Benefit Obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied while calculating the Defined Benefit Liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Risk Exposure :

Through its Defined Benefit Plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

- Investment Risk** : The Defined Benefit Plans are funded Government Securities and units of Insurers. The Company does not has any liberty to manage the funds provided to Insurance Companies.
- Interest Risk** : A decrease in the interest rate on Plan Assets will increase the Plan Liability.
- Life Expectancy** : The Present Value of the Defined Benefit Plan Liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the Plan Liability.
- Salary Growth Risk** : The Present Value of the Defined Benefit Plan Liability is calculated by reference to the future salaries of plan participants. An increase will increase the Plan Liability.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

Defined Benefit Liability and Employer Contributions

Expected contributions to post employment benefit plans for the year ending 31st March 2020 : Nil

The Weighted Average duration of the Defined Benefit Obligation (Gratuity) is 5 years (31st March 2018 - 10 years). The expected maturity analysis of undiscounted Gratuity is as follows :

	As at 31st March 2019	As at 31st March 2018
Year 1	52.69	38.53
Year 2	512.52	421.17
Year 3	50.70	97.51
Year 4	115.77	51.13
Year 5	89.91	117.86
Year 6 to 10	561.88	549.84

The Weighted Average duration of the Defined Benefit Obligation (Superannuation) is 2 years (31st March 2018 - 3 years). The expected maturity analysis of payment for Superannuation is as follows :

	As at 31st March 2019	As at 31st March 2018
Year 1	10.06	6.46
Year 2	85.62	81.62
Year 3	6.16	9.31
Year 4	25.32	5.98
Year 5	4.55	24.75
Year 6 to 10	3.15	4.43

The Weighted Average duration of the Defined Benefit Obligation (Compensated Absences) is 5 years (31st March 2018 - 10 years). The expected maturity analysis of payment for Compensated Absences is as follows :

	As at 31st March 2019	As at 31st March 2018
Year 1	1.13	1.85
Year 2	1.74	1.16
Year 3	1.83	1.94
Year 4	0.82	1.90
Year 5	4.19	0.87
Year 6 to 10	17.60	20.87

	For the year ended 31st March 2019	For the year ended 31st March 2018
29. FINANCE COSTS		
Interest	444.66	396.79
Total	444.66	396.79

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019		For the year ended 31st March 2018	
30. OTHER EXPENSES				
Consumption of Stores and Spare Parts		2,083.72		1,842.44
Power and Fuel		2,651.27		2,330.15
Rent		617.69		491.56
Rates and Taxes		264.27		216.10
Repairs :				
- Machinery	636.66		278.28	
- Buildings	75.96		74.65	
- Others	444.79	1,157.41	560.43	913.36
Insurance		257.81		240.15
Payment to Auditors		114.57		82.94
Directors' Fees		6.70		8.60
Provisions for Doubtful Trade Receivables/Advances		(84.65)		291.34
Sundry Debit Balances/Advances Written Off		15.76		20.81
Travelling and Conveyance		1,493.18		1,349.03
Site Contractor Expenses		1,576.22		1,114.32
Processing Charges		646.47		485.25
Corporate Social Responsibility Expenditure		35.40		12.20
Professional Charges		740.54		915.97
Postage, Telephone, Telex etc.		251.82		215.47
Service Charges		262.91		264.98
Commission and Brokerage		1,696.29		1,659.68
Packing Expenses		2,749.33		2,284.41
Delivery and Forwarding Expenses		3,506.25		3,041.42
Net Loss on Sale/Discard of Property, Plant and Equipment/Investment		71.19		3.43
Net Gain on Foreign Exchange Rate Fluctuation and Translation		(623.37)		(996.15)
Miscellaneous Expenses		1,736.11		1,344.85
Total		21,226.89		18,132.31

	For the year ended 31st March 2019		For the year ended 31st March 2018	
31. EARNINGS PER SHARE (EPS) - THE NUMERATORS AND DENOMINATORS USED TO CALCULATE BASIC AND DILUTED EPS				
Profit after Tax attributable to the Equity Shareholders (A)		5,046.03		4,712.15
Weighted Average number of Equity Shares (in numbers) (B)		36,039,312		36,039,312
Nominal Value of Equity Shares (in ₹)		10.00		10.00
Basic EPS (A/B)		14.00		13.08
Diluted EPS (A/B)		14.00		13.08

	As at 31st March 2019		As at 31st March 2018	
32. CONTINGENT LIABILITIES				
Claims against the Company not acknowledged as Debts :				
i) Sales Tax matter under dispute relating to issues of applicability and classification [related payments ₹ 21.24 (31st March 2018 : ₹ 21.05)]		209.34		62.93
ii) Income Tax matters under dispute relating to issues of applicability and determination		214.31		212.32
iii) Service Tax matters under dispute relating to issues of applicability and classification		1.54		1.54

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.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
33. CAPITAL COMMITMENTS		
Estimated Value of Contracts on Capital Account remaining to be executed (Net of Advances) and not provided for	418.04	852.56
Total	418.04	852.56

34. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES :

34.1 Capital Management

The Group aims at maintaining a strong capital base maximising Shareholders' wealth safeguarding business continuity and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

34.2 Categories of Financial Instruments

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's Consolidated Financial Instruments:

	As at 31st March 2019		As at 31st March 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets				
a) Measured at Amortised Cost				
i) Cash and Cash Equivalents	7,634.11	7,634.11	7,372.60	7,372.60
ii) Other Bank Balances	1,152.95	1,152.95	737.65	737.65
iii) Investment	52.05	53.00	52.05	52.98
iv) Trade Receivables	22,861.63	22,861.63	28,444.00	28,444.00
v) Other Financial Assets	308.39	308.39	389.27	389.27
Sub-total	32,009.13	32,010.08	36,995.57	36,996.50
b) Measured at Fair Value through Profit or Loss				
i) Investment In Mutual Funds	4,553.74	4,553.74	1,270.38	1,270.38
Sub-total	4,553.74	4,553.74	1,270.38	1,270.38
Total Financial Assets	36,562.87	36,563.82	38,265.95	38,266.88
B. Financial Liabilities				
a) Measured at Amortised Cost				
i) Borrowings	8,937.04	8,937.04	11,245.75	11,245.75
ii) Trade Payables	12,438.44	12,438.44	12,540.65	12,540.65
iii) Other Financial Liabilities	356.39	356.39	374.76	374.76
Sub-total	21,731.87	21,731.87	24,161.16	24,161.16
Total Financial Liabilities	21,731.87	21,731.87	24,161.16	24,161.16

The Management assessed that Cash and Cash Equivalents, Trade Receivables, Trade Payables, other Financial Assets and other Financial Liabilities approximate their carrying amounts largely due to the Short Term maturities of these instruments.

The fair value of Loans from Banks, Trade Payables and other Financial Liabilities, as well as other Non-current Financial Liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The fair values of the Group's interest bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March 2019 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

34.3 Financial Risk Management Objectives

The Group's activities expose it to a variety of Financial Risks, including Market Risk, Credit Risk and Liquidity Risk. The Group continues to focus on a system based approach to Business Risk management. The Group's Financial Risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong Internal Control Systems, the Current Risk management System rests on policies and procedures issued by appropriate authorities; process of regular reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Group's Financial Instruments are exposed to market changes. The Group is exposed to the following significant Market Risk :

- Foreign Currency Risk
- Interest Rate Risk
- Other Price Risk

Market Risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to Market Risks or the manner in which these risks are being managed and measured.

Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below :

Quoted Prices in an active market (Level 1) : This level of hierarchy includes Financial Assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of Investment in quoted Equity Shares and Mutual Fund Investments.

Valuation Techniques with observable inputs (Level 2) : This level of hierarchy includes Financial Assets and Liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy does not include any instrument.

Valuation Techniques with significant unobservable inputs (Level 3) : This level of hierarchy includes Financial Assets and Liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

	As at 31st March 2019			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	4,553.74	–	–	4,553.74
Derivative Instruments not designated as Hedging Instruments	–	–	–	–
	4,553.74	–	–	4,553.74
	As at 31st March 2018			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investment in Mutual Funds	1,270.38	–	–	1,270.38
Derivative Instruments not designated as Hedging Instruments	–	–	–	–
	1,270.38	–	–	1,270.38
Financial Liabilities				
Derivative Instruments not designated as Hedging Instruments	9.12	–	–	9.12
	9.12	–	–	9.12

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

i. Foreign Currency Risk

The Group undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities, which are not in the Company's functional currency (Indian Rupees).

A significant portion of these transactions are in US Dollar, Euro etc. The carrying amount of foreign currency denominated financial assets and liabilities including derivative Contracts, are as follows :

As at 31st March 2019	USD	Euro	GBP	Others	Total
Financial Assets	8,903.25	8,791.56	189.82	19.23	17,903.86
Financial Liabilities	7,373.28	7,444.18	26.25	61.61	14,905.32
As at 31st March 2018					
Financial Assets	3,194.02	8,891.53	326.50	9.67	12,421.72
Financial Liabilities	4,947.20	5,174.70	18.19	47.96	10,188.04

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions.

The Group enters into foreign exchange forward contracts with intention to reduce foreign exchange risk of expected sales and purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

	As at 31st March 2019	As at 31st March 2018
Forward Contracts to sell € 19.6 lacs (31st March 2018 : € 21 lacs)	1,710.60	1,842.40

Hedging against the underlying INR borrowings by which :

- Group will receive principal in INR and pay in foreign currency.
- Group will receive fixed interest in INR and pay fixed/floating interest in foreign currency.

Un-hedged Foreign Currency balances :

		As at 31st March 2019	As at 31st March 2018
i) Financial Liabilities	USD	7,373.28	4,947.20
	EUR	7,444.18	5,174.70
	GBP	26.25	18.19
	Others	61.61	47.96
ii) Financial Assets	USD	8,903.25	3,194.02
	EUR	7,080.96	7,049.13
	GBP	189.82	326.50
	Others	19.23	9.67

Foreign Currency Sensitivity

Foreign Currency Sensitivities for unhedged exposure (impact on increase in 5%)

	As at 31st March 2019	As at 31st March 2018
USD	76.50	(87.66)
EUR	(18.16)	93.72
GBP	8.18	15.42
Others	(2.12)	(1.91)

Note : If the rate is decreased by 5% profit will increase/(decrease) by an equal amount.
 Figures in brackets indicate decrease in profit.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

ii. Interest Rate Risk

Interest Rate Risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The objectives of the Group's Interest Rate Risk management processes are to lessen the impact of adverse interest rate movements on its earnings and cash flows and to minimise counter party risks.

The Group is exposed to interest rate volatilities primarily with respect to its term borrowings from Banks as well as Financial Institutions, export packing credit facilities, cash credit facilities. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc of banks. The Group manages such risk by operating with banks having superior credit rating in the market as well as Financial Institutions.

Interest Rate Sensitivities for outstanding exposure (impact on increase in 50 bps)

	As at 31st March 2019	As at 31st March 2018
INR	4.45	13.46
USD	3.42	20.75
EUR	26.90	24.16

Note : If the rate is decreased by 50 bps profit will increase by an equal amount.

Interest Rate Sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowing have been done on the notional value of the foreign currency (excluding the revaluation).

iii. Price Risk

The Company invests its surplus funds primarily in debt mutual funds measured at fair value through profit or loss. Aggregate value of such investments as at 31st March 2019 is ₹ 4,553.74 (31st March 2018 : ₹ 1,270.38). Investments in the Mutual Fund schemes are measured at fair value. Accordingly, these do not pose any significant Price Risk.

b) Liquidity Risk

Liquidity Risk is the risk that the Group may encounter difficulty in meeting its obligations. The Group mitigates its liquidity risks by ensuring timely collections of its trade receivables, close monitoring of its credit cycle and ensuring optimal movements of its inventories. The table below provides details regarding remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March 2019		As at 31st March 2018	
	Current	Non-Current	Current	Non-Current
A. Financial Assets				
i) Cash and Cash Equivalents	7,634.11	–	7,372.60	–
ii) Other Bank Balances	1,152.95	–	737.65	–
iii) Trade Receivables	22,861.63	–	28,444.00	–
iv) Other Financial Assets	106.21	202.18	178.57	210.70
v) Investment In Mutual Funds	4,553.74	–	1,270.38	–
vi) Investment in Bond	–	52.05	–	52.05
Total	36,308.64	254.23	38,003.20	262.75
B. Financial Liabilities				
i) Borrowings	7,379.19	1,557.85	9,193.50	2,052.25
ii) Trade Payables	12,438.44	–	12,540.65	–
iii) Other Financial Liabilities	356.39	–	374.76	–
Total	20,174.02	1,557.85	22,108.91	2,052.25

The Group manages this risk by utilising unused credit lines and portfolio diversion. The Group has investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes.

c) Credit Risk

Credit Risk is the risk that counter party will not meet its obligations leading to a financial loss. The Group has its policies to limit its exposure to credit risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's basis which, terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals.

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

The movement of the expected loss provision made by the Group are as under :

	As at 31st March 2019	As at 31st March 2018
Opening Balance	1,254.62	1,306.69
Add : Provisions made	(84.65)	291.34
Less : Utilisation made for impairment/derecognition	285.79	(343.41)
Closing Balance	1,455.76	1,254.62

35. RELATED PARTY DISCLOSURE :

Related Party Disclosures in keeping with Indian Accounting Standard (Ind AS 24)

a) List of Related Parties

Where Control exists	
Parent	Bajoria Financial Services Private Limited
Fellow Subsidiaries	Heritage Health Insurance TPA Private Limited Ganges Art Gallery Private Limited Bajoria Enterprises Limited Heritage Health Knowledge Services Private Limited
Others :	
Key Management Personnel	S K Bajoria (Chairman) P Bajoria (Managing Director) Kamal Sarda (Director and Chief Executive Officer) Rajesh Agarwal (Company Secretary) Sikander Yadav (Chief Financial Officer)
Relatives of Key Management Personnel	Smita Bajoria (Wife of Chairman) Mihir Bajoria (Son of Chairman) Vidhusi Jain Bajoria (Daughter in law of Chairman) Akshay Bajoria (Son of Managing Director)
Enterprises in which Key Management Personnel has significant influence	Heritage Insurance Brokers Private Limited Bajoria Service Providers LLP Bajoria Holdings Private Limited Bajoria Estate Private Limited Essentially Healthy Private Limited

Particulars of Transactions during the year and year end balances	For the year ended 31st March 2019	For the year ended 31st March 2018
IA) With Parent : Bajoria Holdings Private Limited (till 14th March 2018)		
Rent for Office Premises	–	33.67
	–	33.67
IB) With Parent : Bajoria Financial Services Private Limited (with effect from 15th March 2018)		
Rent for Office Premises	36.73	3.06
	36.73	3.06
II) With Fellow Subsidiaries		
Expenses Reimbursement/Incurred		
Ganges Art Gallery Private Limited	0.36	0.90
Bajoria Enterprises Limited	12.00	12.00
	12.36	12.90

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

Particulars of Transactions during the year and year end balances	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Short Term Benefit	Post Employment Benefit	Short Term Benefit	Post Employment Benefit
III) With Key Management Personnel				
Key Management Personnel Remuneration				
S K Bajoria (Chairman)	176.45	–	159.87	–
P Bajoria (Managing Director)	303.04	53.35	266.15	9.71
Kamal Sarda (Director and Chief Executive Officer)	101.08	1.39	87.13	0.07
Rajesh Agarwal (Company Secretary)	99.23	4.29	87.70	0.79
Kanhaiya Poddar (Chief Financial Officer till 4th August 2017)	–	–	13.66	–
Sikander Yadav (Chief Financial Officer with effect from 10th February 2018)	70.37	0.14	17.01	–
	750.17	59.17	631.52	10.57
Director's Commission				
S K Bajoria (Chairman)	37.76	–	33.93	–
P Bajoria (Managing Director)	37.76	–	15.52	–
	75.52	–	49.45	–

	For the year ended 31st March 2019	For the year ended 31st March 2018
Director's Remuneration Payable		
P Bajoria (Managing Director)	–	32.65
	–	32.65
Director's Commission Payable		
S K Bajoria (Chairman)	37.76	33.93
P Bajoria (Managing Director)	37.76	15.52
	75.52	49.45

Particulars of Transactions during the year and year end balances	For the year ended 31st March 2019		For the year ended 31st March 2018	
	Short Term Benefit	Post Employment Benefit	Short Term Benefit	Post Employment Benefit
IV) With Relative of Key Management Personnel				
Remuneration				
Mihir Bajoria	232.70	–	110.31	–
Vidushi Jain Bajoria	32.58	–	–	–
Akshay Bajoria	35.00	0.48	26.73	0.07
	300.28	0.48	137.04	0.07

36. OPERATING LEASE COMMITMENTS

The Group entered into various non-cancellable 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 Group are as follows :

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	As at 31st March 2019	As at 31st March 2018
Within 1 Year	312.30	370.18
More than 1 Year upto 5 Years	438.43	443.43
Total	750.73	813.61

Lease rentals recognised in Note 30 of the Statement of Profit and Loss amount to ₹ 470.78 (31st March 2018 : ₹ 370.18)

37. INFORMATION GIVEN IN ACCORDANCE WITH THE REQUIREMENTS OF IND AS 108 ON SEGMENT REPORTING :

The Group is engaged in the business of manufacturing refractories across the globe. The operating segments have been identified based on the different geographical areas where major entities within the Group operate and which is also the basis on which the Chief Operating Decision Maker (CODM) reviews and assess the Group's performances.

The Group's reportable segments and segment information is presented below :

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

i) Composition of Geographical Segments

The Group is predominantly a Manufacturer and Trader of Specialised Refractories and accordingly a single business segment group. The Group has adopted the geographical location of its operations (where its products are produced or service rendering activities are based) as its primary segment and presented the related information accordingly together with corresponding figures for the previous year. The Group's production facilities have been segmented into India, Europe (United Kingdom, Germany and Czech Republic), Asia excluding India (China) and America (USA).

ii) Inter Segment Transfer Pricing

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

iii) Segment Revenues, Result and Other Information

	India	Europe	Asia Excluding India	America	Total of Reportable Segments
External Sales (Net of Excise Duty)	46,679.52	26,381.78	1,614.16	19,350.81	94,026.27
	43,848.08	22,279.20	1,230.44	16,573.35	83,931.07
Inter Segment Sales	1,233.21	597.61	6,022.37	196.69	8,049.88
	877.59	707.23	4,970.88	94.16	6,649.86
Segment Revenues	47,912.73	26,979.39	7,636.53	19,547.50	102,076.15
	44,725.67	22,986.43	6,201.32	16,667.51	90,580.93
Segment Result	3,665.50	1,026.43	802.55	1,695.68	7,190.16
	3,750.59	1,408.97	337.39	1,559.55	7,056.50
Segment Assets	58,433.70	19,030.78	2,560.58	11,892.75	91,917.81
	59,757.23	18,661.94	2,615.31	10,378.39	91,412.87
Segment Liabilities	7,411.32	4,884.36	551.51	2,210.30	15,057.49
	8,358.47	5,202.47	856.38	2,483.87	16,901.19
Capital Expenditure (Net)	939.42	403.59	-	339.84	1,682.85
	1,125.42	326.74	134.21	211.48	1,797.85
Depreciation and Amortisation	3,887.02	436.66	35.80	242.54	4,602.02
	3,797.21	320.44	40.71	221.20	4,379.56
Non Cash Expenses other than Depreciation	(118.07)	7.30	-	26.12	(84.65)
	207.36	98.29	-	6.50	312.15

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

iv) Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Net Profit	Assets	Liabilities @
Total of Reportable Segments	102,076.15	7,190.16	91,917.81	15,057.49
	90,580.93	7,056.50	91,412.87	16,901.19
Corporate - Unallocated (Net)/Adjustments	578.70	(340.58)	9,957.90	7,353.75
	437.72	(405.07)	8,439.78	7,751.95
Inter Segment Sales	(8,049.88)	–	–	–
	(6,649.86)	–	–	–
Interest (Net)	–	(444.66)	–	–
	–	(396.79)	–	–
Provision for Taxation				
- Current	–	(1,495.60)	–	–
	–	(1,451.81)	–	–
- Deferred	–	136.71	–	–
	–	(104.57)	–	–
- Excess Provision of Tax relating to earlier years written back	–	–	–	–
	–	13.89	–	–
As per Financial Statements	94,604.97	5,046.03	101,875.71	22,411.24
	84,368.79	4,712.15	99,852.65	24,653.14

@ Excluding Total Equity

v) Revenue from sales to external customers for customer based Geographical Segments

	Total
India	21,210.62
	18,917.25
United Kingdom	5,544.49
	3,703.14
Europe other than United Kingdom	26,246.38
	28,885.18
Asia Excluding India	11,492.40
	9,117.83
Americas	18,919.61
	18,043.85
Others	10,612.77
	5,263.82
Total Sales	94,026.27
	83,931.07

Figures in Bold type relate to current year

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

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

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Holding								
IFGL Refractories Limited (Formerly known as IFGL Exports Limited)	63.68	50,602.10	51.45	2,596.34	311.70	(38.09)	50.82	2,558.25
	65.04	48,912.81	47.92	2,257.98	(494.00)	32.17	48.67	2,290.15
Subsidiary (Foreign)								
IFGL Worldwide Holdings Limited	36.32	28,862.27	48.55	2,449.69	(211.70)	25.87	49.18	2,475.56
	34.96	26,286.70	52.08	2,454.17	594.16	(38.68)	51.33	2,415.49
Total	100.00	79,464.37	100.00	5,046.03	100.00	(12.22)	100.00	5,033.81
	100.00	75,199.51	100.00	4,712.15	100.00	(6.51)	100.00	4,705.64

Figures in Bold type relate to current year

39. AMALGAMATION WITH ERSTWHILE IFGL REFRACTORIES LIMITED (ERSTWHILE HOLDING COMPANY)

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

In accordance with the provisions of aforesaid Scheme :

- The Amalgamation was accounted under the 'Purchase Method' as prescribed by Accounting Standard 14 - Accounting for Amalgamations under the previous GAAP.
- The excess of the value of Equity Shares issued by the Company over the book value of assets and liabilities taken over by the Company and cancellation of Equity Shares held by erstwhile IFGL Refractories Limited in the Company, amounting to ₹ 26,699.46 was recorded as goodwill arising on amalgamation.
- In accordance with the Scheme, the goodwill recorded on amalgamation is being amortised and the Company has estimated its useful life of 10 years. Accordingly, amortisation for the year amounting to ₹ 2,669.95 has been recognised in the Statement of Profit and Loss.

40. INCOME TAX EXPENSE

This note provides an analysis of the Group's Income Tax Expense, shows amounts that are recognised directly in Equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to Tax positions.

	For the year ended 31st March 2019	For the year ended 31st March 2018
a) Income Tax Expense		
Current Tax on Profits for the year	1,495.60	1,451.81
Excess provision of Tax relating to earlier years written back	-	(13.89)
Total Current Tax Expense	1,495.60	1,437.92

Notes to the Consolidated Financial Statements (Contd.)

(₹ in lacs)

	For the year ended 31st March 2019	For the year ended 31st March 2018
b) Deferred Tax		
(Increase) in Deferred Tax Assets	(432.98)	(864.40)
Increase in Deferred Tax Liabilities	569.69	968.97
Total Deferred Tax Expense	136.71	104.57
Income Tax Expense (a + b)	1,632.31	1,542.49
Current Tax Expense recognised in Profit or Loss		
Current Tax on Profits for the year	1,495.60	1,451.81
Excess provision of Tax relating to earlier years written back	–	(13.89)
Total Current Tax Expense (A)	1,495.60	1,437.92
Deferred Tax Expense recognised in Profit or Loss		
Deferred Taxes	(136.71)	104.57
Total Deferred Tax Expense recognised in Profit or Loss (B)	(136.71)	104.57
Deferred Tax Expense recognised in Other Comprehensive Income		
Deferred Taxes	(20.14)	17.02
Total Deferred Tax Expense recognised in Other Comprehensive Income (C)	(20.14)	17.02
Total Deferred Tax for the year (B + C)	(156.85)	121.59
Total Income Tax Expense recognised in Profit or Loss (A + B)	1,358.89	1,542.49
Total Income Tax Expense (A + B + C)	1,338.75	1,559.51

Reconciliation of Tax Expense and the accounting profit multiplied by India's Tax Rate :

	For the year ended 31st March 2019	For the year ended 31st March 2018
Profit before Tax	6,404.92	6,254.64
Tax at the Indian Tax rate of 34.944% (2017 - 2018 : 34.608%)	22.38	2,164.60
Effect of items not deductible/exempt from tax/items on which different tax rates are applicable	(260.48)	(260.48)
Effect of permanent difference on account of Ind AS adjustments	200.40	54.13
Benefit of Unabsorbed Depreciation	241.25	221.18
Difference in Tax Rates of Subsidiary Companies	1,135.20	(619.92)
Income Tax Expense	1,338.75	1,559.51

Signature to Notes '1' to '40'

Kamal Sarda
Director and Chief Executive Officer
(DIN : 03151258)

For and on behalf of the Board of Directors

S K Bajoria
Chairman
(DIN : 00084004)

P Bajoria
Managing Director
(DIN : 00084031)

Kolkata
11th May 2019

Rajesh Agarwal
Company Secretary
(FCS : 2825)

Sikander Yadav
Chief Financial Officer

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