



# ORIENT REFRACTORIES LTD.

27 September 2017

The Secretary, Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai-400001.  
Maharashtra, India.  
Scrip Code : 534076

The Manager, Listing Department  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5th Floor, Plot No.-C/1,  
G-Block, Bandra Kurla Complex,  
Bandra (East), Mumbai-400051  
Maharashtra, India.  
Symbol: ORIENTREF

Dear Sir/Madam,

**Re: Submission of Annual Report and Annual Accounts of Orient Refractories Limited ("the Company") for the Financial Year 2016-17.**

At the 7<sup>th</sup> Annual General Meeting of the Company on 25 September 2017, the Members of the Company approved the 7<sup>th</sup> Annual Accounts of the Company for the Financial Year 2016-17.

We are enclosing herewith the Annual Report and Annual Accounts 2016-17 in compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the Members as per the provisions of the Companies Act, 2013.

This is for your information and records.

Thanking you,

Yours faithfully

For Orient Refractories Limited

**Sanjay Kumar**  
Company Secretary

Encl: As above



## Works :

SP-148 A & B, RIICO Industrial Area,  
Bhiwadi - 301019  
Dist. Alwar, Rajasthan, India  
Phone : +91-1493-222266, 67, 68  
Fax : +91 1493-222269, 220048  
Email : [bhiwadi@orlindia.com](mailto:bhiwadi@orlindia.com)

## Registered Office :

804-A, Chiranjiv Tower,  
43 Nehru Place,  
New Delhi-110019 (India)  
Web. : [www.orientrefractories.com](http://www.orientrefractories.com)  
E-mail : [ho@orlindia.com](mailto:ho@orlindia.com)  
CIN No.: L28113DL2010PLC210819

7<sup>th</sup>

# Annual Report

2016-2017



**ORIENT REFRACTORIES LIMITED**

**BOARD OF DIRECTORS**

(As on 8 August,2017)

Dr. Vijay Sharma (Chairman)

Mr. R. S. Bajoria

Mr. Reinhold Steiner

Mr. Erwin Jankovits

Ms. Verena Buzzi

Mr. Parmod Sagar(Managing Director)

**CHIEF FINANCIAL OFFICER**

Mr. Sanjeev Bhardwaj

**COMPANY SECRETARY**

Mr. Sanjay Kumar

**CORPORATE IDENTITY NUMBER (CIN)**

L28113DL2010PLC210819

**STATUTORY AUDITORS**

M/s. Deloitte Haskins & Sells

**COST AUDITORS**

M/s. K.G.Goyal & Associates

**SECRETARIAL AUDITORS**

M/s. Naresh Verma & Associates

**INTERNAL AUDITORS**

M/s. Chaturvedi & Partners

**REGISTERED OFFICE**

804-A, Chiranjiv Tower,

43, Nehru Place, New Delhi-110019

Tel. No.: 91 11 41518482

E-Mail : ho@orlindia.com

Website: www.orientrefractories.com

**WORKS**

SP-148 A+B, RIICO Industrial Area,

Bhiwadi, Dist.-Alwar, Rajasthan-301019

Tel. No. : + 91 1493 222266

Fax : + 91 1493 222269

E-Mail: bhiwadi@orlindia.com

**SHARE REGISTRARS AND TRANSFER AGENTS**

Skyline Financial Services Private Limited

D-153 A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi-110 020

Tel. : + 91 11-26812682, 83, 30857575 (10 Lines)

Fax : + 91 11-30857562

E-mail : admin@skylinerta.com

grievances@skylinerta.com

Website: www.skylinerta.com

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## NOTICE

To,

The Member(s)

**Orient Refractories Limited**

Notice is hereby given that the 7th Annual General Meeting of "Orient Refractories Limited" will be held on Monday, 25 September, 2017 at 11:30 A.M. at "Modi Hall", PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, INDIA, to transact the following business:

### **ORDINARY BUSINESS**

#### **Item No.1**

To receive, consider and adopt the Financial Statements including balance sheet as at 31 March, 2017 and the statement of profit & loss for the year ended on that date, alongwith Board's and Auditors' report thereon.

#### **Item No.2**

To declare dividend for the year ended 31 March, 2017

#### **Item No.3**

To appoint a Director in place of Mr. Erwin Jankovits holding DIN 007089589, who retires by rotation and being eligible offers himself for re-appointment.

#### **Item No. 4**

**To appoint Auditors and to fix their remuneration.**

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to Section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 and other applicable provisions, if any, M/s. Price Water House, Chartered Accountants LLP (Firm Registration No. 012754N/ N500016) be and are hereby appointed as auditors of the Company to hold the office for a term of five consecutive years (to conduct audit for the financial years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22) i.e. from the conclusion of this 7th Annual General Meeting till the conclusion of the 12th Annual General Meeting of the Company, subject to ratification by the Members at every Annual General Meeting to be held during the period on such remuneration as may be determined by the Board of Directors of the Company, based on the recommendation of the Audit Committee and reasonable out-of-pocket expenses actually incurred by them.

### **SPECIAL BUSINESS**

#### **Item No. 5**

**Appointment of Ms. Verena Buzzi as a Director**

To consider and if deemed fit, to pass the following as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Verena Buzzi holding DIN 07901672 who was appointed as an Additional Director on 8 August, 2017 by the Board pursuant to Section 161(1) of the Act and holds office up to the date of this AGM and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for office of Director, be and is hereby appointed as a Director liable to retire by rotation.

#### **Item No. 6**

**Appointment of Mr. Parmod Sagar as Managing Director and Chief Executive Officer**

To consider and if deemed fit, to pass the following as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013, ("Act"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Parmod Sagar holding DIN 06500871, as the Managing Director and Chief Executive Officer (MD & CEO)



of the Company for a period of five years with effect from 4 March, 2018 to 3 March, 2023 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting, (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Parmod Sagar.

**RESOLVED FURTHER THAT** Mr. Parmod Sagar will be a key managerial personnel of the Company under the provisions of Section 203 of the Act.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper, expedient or desirable to give effect to this resolution, to make modifications as may be deemed to be in the interest of the Company, with liberty to the Board to alter and vary the terms and conditions of the aforesaid appointment, including but not limited to determine the remuneration payable to Mr. Sagar and also the types and amount of perquisites, other benefits and allowances, from time to time, in accordance with the provisions of the Act and to do all such acts, deeds, matters and things for giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of its powers to any of its committee(s) or any director or officer or person, to give effect to the aforesaid resolution.

**Item No. 7**

**Ratification of the Remuneration of Cost Auditors**

To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], the consent of the Company be and is hereby accorded for the payment of remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus service tax at the applicable rates and reimbursement of out of pocket expenses to M/s. K G Goyal & Associates, Cost Accountants having Firm Registration No. 000024 appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the Financial Year ending 31 March, 2018.

**RESOLVED FURTHER THAT** the Board of Directors of the Company 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.

**By Order of the Board**

New Delhi  
8 August, 2017

**Sanjay Kumar**  
Company Secretary  
(ACS-17021)

**Notes:**

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos.5, 6 and 7 above are annexed hereto. The relevant details of the Directors seeking appointment/re-appointment, pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of Companies, Societies, Partnership Firms, etc. must be supported by appropriate resolution/authority, as applicable, issued on behalf of the nominating organization.

Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. A route map giving directions to reach the venue of the 7th Annual General Meeting ('AGM') is given at the end of the Notice.

**4. Book Closure and Dividend:**

- A. The Register of Members and the Share Transfer Books of the Company will be closed from Tuesday, 12 September, 2017 to Tuesday, 19 September, 2017 (both days inclusive).
- B. If dividend on Equity Shares, as recommended by the Board, is approved at the Meeting, the payment of such dividend will be made by 30 September, 2017 as under:
  - (i) To all Beneficial Owners in respect of shares held in electronic form, as per details furnished by the Depositories for this purpose as on the beginning of 12 September, 2017.
  - (ii) To all Members in respect of shares held in physical form, whose names are on the Company's Register of Members on 12 September, 2017.

**5. Process and manner for Members opting to vote through electronic means:**

In compliance with the 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 7th AGM by electronic means and the business may be transacted through the e-voting services provided by National Securities Depository Ltd. ('NSDL').

**The instructions for e-voting are as under:**

- A. In case of Members receiving an email from NSDL (for Members whose email addresses are registered with the Company/ Depository Participants):
  - (i) Open the email and open pdf file "ORL e-voting.pdf" with your Client ID or Folio No. as password. The pdf file contains your user ID and password/ PIN for e-voting. Please note that this password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on "Shareholder – Login".
  - (iv) Insert User ID and Password as initial password/ PIN noted in step (i) above. Click Login.
  - (v) You will now reach Password Change Menu, wherein you are required to mandatorily change your password/ PIN with new password of your choice. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). On first login, the system will prompt you to change your password and update your contact details like mobile number, email address, etc. in the user profile details of the folio, which may be used for sending future communications. You will also need to enter a secret question and answer of your choice to retrieve your password in case you forget it. Note your new password. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - (vi) You need to login again with the new credentials. Home page of e-voting will open. Click on "e-voting: Active Voting Cycles".
  - (vii) Select the "EVEN" (Electronic Voting Event Number) of Orient Refractories Limited. Now you are ready for e-voting as Cast Vote page opens.
  - (viii) On the voting page, you may cast your vote by selecting an appropriate option "For" or "Against" and click "SUBMIT". A confirmation box will be displayed. Click "OK" to confirm or "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. Upon confirmation, the message "Vote Cast Successfully" will be displayed.
  - (ix) You can similarly vote in respect of all other resolutions forming part of the Notice of the AGM. During the voting period, Members can login any number of times till they have voted on all the Resolutions.
  - (x) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.



(xi) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s) who are authorized to vote, to the Scrutinizer at the email address: [scrutinizer.ori@gmail.com](mailto:scrutinizer.ori@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). The scanned image of the above mentioned documents should be in the naming format: Corporate Name\_EVEN NO.

- B. In case of Members whose email addresses are not registered with the Company/ Depository Participants, their User ID and initial password/ PIN is provided on the Attendance Slip sent with the AGM Notice. Please follow all steps from Sr. No. (ii) to (xi) as mentioned in A above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password/ PIN for casting their votes.
- D. **Members holding shares in either physical or dematerialized form as on the Cut-Off Date of 18 September, 2017 may cast their votes electronically. The e-voting period for the Members who hold shares as on the cut-off date commences on Friday, 22 September, 2017 (9.00 A.M.) and ends on Sunday, 24 September, 2017 (5.00 P.M.). The e-voting module shall be disabled by NSDL for voting thereafter.**
- E. In case of any query pertaining to e-voting, Members may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available at the Downloads Section of <https://www.evoting.nsdl.com> or call on toll free No.: 1800 222 990. Any query or grievance connected with the remote e-voting may be addressed to the Company Secretary, Mr. Sanjay Kumar at SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019, Tel: +91 1493 222 266, Fax: +91 1493 222 267, Email: [investor@orlindia.com](mailto:investor@orlindia.com)

**6. General instructions/ information for Members for voting on the Resolutions:**

- A. Facility of voting through Poll paper shall 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.
- B. 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.
- C. The voting rights of the shareholders (for voting through remote e-voting or by Poll paper at the AGM) shall be in proportion to their share of the paid-up equity share capital of the Company as on 18 September, 2017 maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or of voting at the AGM.
- D. 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. 18 September, 2017, may obtain the login Id and password by sending a request at [evoting@nsdl.co.in](mailto: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 [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- E. Mr. Naresh Verma, Practicing Company Secretary (Membership No. FCS 5403/ CP No. 4424) of M/s. Naresh Verma & Associates, Company Secretaries has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the remote e-voting process as well as voting through Poll paper at the Meeting, in a fair and transparent manner.
- F. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, and 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.
- G. The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, not later than forty eight hours 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 authorized by him in writing, who shall countersign the same.
- H. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.orientrefractories.com](http://www.orientrefractories.com) and on the website of NSDL immediately after their declaration, and communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd. and National Stock Exchange of India Ltd.



- I. Subject to the receipt of requisite number of votes, the Resolutions forming part of the AGM Notice shall be deemed to be passed on the date of the AGM, i.e. Monday, 25 September, 2017.
7. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing the representative to attend and vote on their behalf at the Meeting.
8. Members/ Proxies should bring the enclosed Attendance Slip duly filled in, for attending the AGM, along with their copy of the Annual Report. Copies of the Annual Report will not be distributed at the Meeting.
9. **Payment of dividend through electronic means:**
  - A. To avoid loss of dividend warrants in transit and undue delay in receipt of dividend warrants, the Company provides the facility to the Members for remittance of dividend directly in their bank accounts through electronic means. The facility is available at all bank branches which have registered themselves as participating banks with National Payment Corporation of India and have joined the Core Banking System. Members holding shares in physical form and desirous of availing this facility are requested to provide their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFS Code), along with their Folio Number, to the Company's Share Registrars and Transfer Agents, Skyline Financial Services Private Limited. Members holding shares in electronic form are requested to provide the details to their respective Depository Participants.
  - B. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
10. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or the Company's Share Registrars and Transfer Agents.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Share Registrars and Transfer Agents for assistance in this regard.
12. **Nomination Facility:**

As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant. Form No. SH-13 & SH-14 are also available on the web-site of the Company i.e. [www.orientrefractories.com](http://www.orientrefractories.com).
13. **Unclaimed Dividends:**
  - A. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Mr. Sanjay Kumar, Company Secretary, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's unpaid dividend account, will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund.
  - B. Details of Unclaimed Dividend on Website:

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended 31 March, 2012 and subsequent years on the Website of Investor Education and Protection Fund, [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investor Relations" Section on the website of the Company, [www.orientrefractories.com](http://www.orientrefractories.com).

14. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number ('PAN') by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.
15. **Updation of Members' Details:**
- The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company/ Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
16. Electronic copy of the Annual Report for 2016-17 is being sent to all Members whose email addresses are registered with the Company/ Depository Participants for communication purposes, unless any Member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Annual Report for 2016-17 are being sent in the permitted mode.
17. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Share Registrars and Transfer Agents/ their Depository Participants, in respect of shares held in physical/ electronic mode respectively.

**Details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting**

[Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

<b>Name of Directors</b>	<b>Mr. Erwin Jankovits</b>	<b>Ms. Verena Buzzi</b>	<b>Mr. Parmod Sagar</b>
Director Identification Number (DIN)	07089589	07901672	06500871
Date of Birth	13 August, 1971	4 July, 1976	4 September, 1965
Date of Appointment	11 February, 2015	8 August, 2017	4 March, 2013
Expertise in specific functional areas (Management, Operation & Marketing)	Wide experience in steel industry	Finance & Controlling	Tecno Commercial (Operation & Marketing) in Refractory Industry
Qualifications	Graduation in material sciences from Montan University, Leoben	- PHD Economics - Certified European Financial Analyst	B-Tech (Mechanical)
Relationships between Directors inter-se	None	None	None
No. of shares held in the Company	None	None	13,698
List of companies in which Directorship held as on 31 March, 2017 (excluding foreign, private and Section 8 companies)	None	None	None
Chairman/ Member of the Mandatory Committees of the Board of the companies on which he is a Director as on 31 March, 2017	None	None	None

## **Explanatory Statement under Section 102 of the Companies Act, 2013 relating to Special Business mentioned in the Notice convening the 7th Annual General Meeting**

### **Item No. 5**

#### **Appointment of Ms. Verena Buzzi as a Director**

The Board of Directors ("Board") upon recommendation of the Nomination and Remuneration Committee, appointed Ms. Verena Buzzi as an Additional (Non-Executive) Director of the Company effective 8 August, 2017. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Ms. Verena Buzzi will hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed a Director of the Company. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member, along with the requisite deposit of Rs. 1,00,000/-, proposing the candidature of Ms. Buzzi for the office of Director. Ms. Buzzi, once appointed, will be liable to retire by rotation. The Company has received from Ms. Buzzi (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act. The profile and specific areas of expertise of Ms. Buzzi are provided as annexure to this Notice. None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Ms. Buzzi, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 5 of the Notice. The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

### **Item No. 6**

#### **Appointment of Mr. Parmod Sagar as Managing Director and CEO**

Mr. Parmod Sagar (Indian, date of birth - 4 September, 1965) is a Mechanical Engineer. He has having experience of 34 years. He started his carrier in continue casting department of a Steel plant and continue in steel industry till 1992. Joined Orient Abrasives Limited (Orient Refractories Limited de-merged from Orient Abrasives Ltd.) on 15 April, 1992 as Marketing Manager.

Mr. Parmod Sagar has been highly instrumental in the progress made by the Company over the years. He has vastly contributed in successfully implementation of various projects and in their growth. His technical expertise, industry experience and marketing knowledge have immensely helped the Company in production, maintenance and market development.

The Members of the Company, at the 3rd Annual General Meeting (AGM) held on 26 September, 2013, had approved the appointment of Mr. Parmod Sagar as the Managing Director of the Company for a period of 5 (five) years with effect from 4 March, 2013 till 3 March, 2018. Mr. Sagar has played a significant role in supporting the Board of Directors of the Company in ORL's success; particularly in the context of geographical coverage, growth of revenues. Under his leadership the Company has grown phenomenally in terms of products and operations. The Company has grown from being essentially an Indian company of about Rs. 362 Crore to a global corporation having gross turnover of Rs. 530 Crore (approx.)

Based on the approval and recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 152, 196, 197, 203 read with Schedule V and all other applicable provisions of the Act and all applicable rules made under the Act, the Board of Directors of the Company, at their meeting held on 8 August, 2017, unanimously approved the appointment of Mr. Parmod Sagar (DIN: 06500871) as the Managing Director and Chief Executive Officer ['MD & CEO'] for a period of 5 (five) years commencing from 4 April 2018 and ending on 3 March 2023. The aforesaid appointment is on a continuation basis, without any interruption/ break in the service and is subject to the approvals, consents, permissions, sanctions and the like of the Members of the Company and all other concerned statutory and other authorities, if and to the extent applicable and required. Mr. Sagar is also designated as a key managerial personnel of the Company under the provisions of Section 203 of the Act. The period of office of Mr. Sagar shall be liable to determination by retirement of directors by rotation. If Mr. Sagar is re-appointed as a director immediately on retirement by rotation, he shall continue to hold office of MD & CEO and such reappointment as director shall not be deemed to constitute break in his appointment as the MD & CEO. Mr. Sagar is a committee member of the Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company.

Mr. Parmod Sagar satisfies all the applicable conditions as set out under Section 196 read with Schedule V of the Act for being eligible for the office of the MD & CEO. The Company has received from Mr. Sagar:

- i) Consent to act as the MD & CEO in the prescribed form DIR-2 pursuant to Section 152 of the Act and Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014;
- ii) Intimation in the prescribed form DIR-8 pursuant to Section 164 of the Act and Rule 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified to become a director under the Act,

iii) Declaration under Section 152 of the Act to the effect that he is not disqualified to become a director under the Act.

**The material terms and conditions of the appointment of Mr. Parmod Sagar, as the MD & CEO, are as follows:**

**a) Designation and period of appointment:**

Mr. Parmod Sagar has been appointed as the Managing Director and Chief Executive Officer ['MD & CEO'] under the provisions of Section 196 and all other applicable provisions, if any, of the Act. The aforesaid appointment of Mr. Sagar is for the period of 5 (five) years commencing from 4 April, 2018 and ending on 3 March, 2023, on continuation basis, without any interruption/ break in service. His period of office shall be liable to determination by retirement of directors by rotation.

**b) Remuneration:**

The terms and conditions of the appointment of Mr. Sagar, including remuneration, have been approved by the unanimous resolution passed by the Nomination & Remuneration Committee and the Board of Directors. Mr. Sagar shall be entitled to the remuneration, perquisites, allowances, reimbursement, etc. as listed below:

**(i) Basic Salary:**

Rs. 7,61,351 /- per month. The Nomination and Remuneration Committee, may decide the increments in salary, from time to time, subject to a maximum of Rs. 12,00,000/- per month. First increment shall be due from 1 April, 2018. Other allowances, bonus and perquisites linked with basic salary shall also proportionately increase.

**(ii) Allowances/Perquisites/Incentive:**

In addition to salary, Mr. Parmod Sagar will be entitled to:

- **Bonus:**

10% of Basic Salary.

- **Housing:**

Rent free furnished accommodation or House Rent Allowance in lieu thereof, either of which shall be subject to a maximum value of 50% of the basic salary.

- **Medical Reimbursement:**

Reimbursement of medical expenses incurred by self and dependent family members once a year, as per rule of the Company.

- **Leave Travel Allowance:**

Reimbursement of travelling expenses incurred by self and dependent family members once a year, as per rule of the Company.

- **Potential Bonus:**

Over and above the remuneration mentioned aforesaid up to a maximum of 30% of the gross annual salary (annual salary includes basic salary, perquisites, allowances, potential bonus and retirement benefits). This will be on the recommendation of Nomination and Remuneration Committee.

- **Other perquisites:**

Such as provision of car(s) and any other perquisites, benefits, amenities and incentive;

**(iii) Retirement benefits:**

- Contribution to Provident Fund, Superannuation Fund, National Pension Scheme and Gratuity as per the rules of the Fund/Scheme in force from time to time.

- Encashment of leave as per the rules of the Company in force from time to time.

(iv) **General:**

- In the event of absence or inadequacy of profits in any financial year, Mr. Parmod Sagar, shall be entitled to such remuneration as may be determined by the Board, which shall not, except with the approval of the Central Government, exceed the limits prescribed under the Companies Act, 2013 and Rules made there under or any statutory modification or re-enactment thereof.
- Perquisites shall be valued in terms of income tax rules or actual expenditure incurred by the Company in providing the benefit or generally accepted practice as is relevant.
- Provision of telephone (including at residence) shall not be reckoned as a perquisite.
- The aggregate remuneration (including salary, allowances, perquisites, incentive, retirement benefits and potential bonus) for any financial year shall be subject to an overall ceiling of 5% of the net profits of the Company for that financial year computed in the manner prescribed under the Companies Act, 2013.
- Mr. Parmod Sagar will not be entitled to any sitting fees for attending meetings of the Board or of any Committee thereof.
- Mr. Parmod Sagar will be subject to all other service conditions as applicable to any other employee of the Company.

Taking into consideration the size of the Company, the profile of the incumbent, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid to the incumbent is commensurate with the remuneration packages paid to similar senior level incumbents in other companies. The Board of Directors, therefore, recommends the Ordinary Resolution at Item No. 6 of the accompanying Notice for approval by the Members.

Copies of the relevant resolutions passed by the Board and other relevant documents relating to the aforesaid appointment of Mr. Sagar are available for inspection by the members of the Company at the Registered Office and Corporate Office of the Company during business hours on any working day of the Company without payment of fee.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Sagar, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 6 of the Notice. The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

**Item No. 7**

**Ratification of Remuneration of Cost Auditors**

The Company is required under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time ("Cost Audit Rules"), to have the audit of its cost records for products covered under the Cost Audit Rules conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. K. G. Goyal & Associates, Cost Accountants as the Cost Auditor for Financial Year 2017-18. In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31 March, 2018. None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 7 of the Notice. The Board recommends the resolution set forth in Item No. 7 for the approval of the Members.

**By Order of the Board**

**New Delhi  
8 August, 2017**

**Sanjay Kumar**  
Company Secretary  
(ACS-17021)

## BOARD'S REPORT

To  
The Members of  
**ORIENT REFRACTORIES LIMITED**

The Directors hereby present their Seventh Annual Report on the business and operations of the Company and the financial statements for the year ended 31 March, 2017.

### 1. FINANCIAL RESULTS

	(Rs. in Lacs)	
Particulars	2016-17	2015-16
Net Sales & Income	52,765.05	46,426.22
Profit before Depreciation, Interest and Tax	11,124.12	9,056.46
<b>Less:</b> Depreciation	636.66	590.62
Interest	0.30	0.20
<b>Profit before income tax</b>	<b>10,487.16</b>	<b>8,465.64</b>
<b>Less:</b> Net Tax Expense	3,625.35	2,883.80
<b>Net profit for the year</b>	<b>6,861.81</b>	<b>5,581.84</b>
<b>Add:</b> Balance brought forward from the Previous Year	10,926.50	7,441.31
<b>Amount available for appropriation</b>	<b>17,788.31</b>	<b>13,023.15</b>
<b>Appropriation:</b>		
Final Dividend on Equity Shares	-	1,742.02
Corporate Dividend Tax	-	354.63
<b>Balance carried forward to Balance Sheet</b>	<b>17,788.31</b>	<b>10,926.50</b>

#### Footnotes:

- a. Figures have been rounded off to Rs. lacs.
- b. Previous year's figures have been regrouped/ restated wherever necessary to conform to the classification of the current year.
- c. The Board recommended a dividend of Rs. 2.50 per equity on 120,139,200 equity shares of Re. 1.00 each for the year ended 31 March, 2017 subject to the approval of the shareholders at the Annual General Meeting.

### 2. COMPANY PERFORMANCE AND OPERATIONS

Indian Steel Industry continues to witness challenges as currently they are financially stressed, though the overall performance has been better due to good realization and year to year growth of 5.4% in steel output. Despite financially stressed market, the Company has shown significant increase in Sales and Profit during the year. The revenue during the year was Rs. 52,765.05 lacs as compared to Rs. 46,426.22 lacs in 2015-16, growth of 13.65%. Profit before tax increased by 23.92% as compared to previous year 2015-16. Profit before tax is Rs. 10,487.16 lacs in current year (Previous year Rs. 8,465.64 lacs).

### 3. DIVIDEND

The Board recommended a dividend of Rs. 2.50 per equity share on 120,139,200 equity shares of Re. 1.00 each for the year ended 31 March, 2017 (Previous year Rs. 1.45 per equity share). The dividend on equity share is subject to the approval of the shareholders at the Annual General Meeting ('AGM') scheduled to be held on 25 September, 2017. The dividend will be paid by 30 September, 2017.

The Register of Members and Share Transfer Books will remain closed from Tuesday, 12 September, 2017 to Tuesday, 19 September, 2017 (both days inclusive) for the purpose of AGM and payment of the dividend for the financial year ended 31 March, 2017.

#### **4. TRANSFER TO RESERVES**

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account.

#### **5. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') is incorporated elsewhere in this report by reference and forms an integral part of this report. **(Annexure-A)**

#### **6. SHARE CAPITAL**

The paid up Equity Share Capital as on 31 March, 2017 was Rs. 1,201.39 lacs. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

#### **7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT**

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of the report.

#### **8. EXPANSION PLANNING**

The Company produces Isostatic Pressed Products (ISO, flow control) in its plant at Bhiwadi, India. The current production capacity for ISO products at Bhiwadi plant is 9,300 tons per annum. Considering the growth of steel industry in India and increasing demand in export market there is a forecast of market demand of 10,000 tons in 2018 and 11,700 tons in 2019 onwards. The management decided to increase the existing capacity of ISO to 11,700 tons per annum, the addition serves to address a bottle neck in production capacity by building an additional ISO production line in existing plant at Bhiwadi. The estimated time for completion of project is second quarter of 2018, with an estimated cost of Rs.1,727 lacs.

#### **9. SUBSIDIARY COMPANY**

The Company does not have any subsidiary.

#### **10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loans, guarantee or investments covered under the provisions of Section-186 of the Companies Act, 2013.

#### **11. FIXED DEPOSITS**

The Company has not accepted any public deposits during the financial period under review.

#### **12. RELATED PARTY TRANSACTIONS**

All Related Party Transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and in compliance with the applicable provisions of the Act and the Listing Regulations. In terms of Listing Regulations there was materially significant Related Party Transactions made by the Company during the year which had prior approval of the shareholder of the Company. The shareholders of the Company through postal ballot modified and ratified the limit for material Related Party Transaction with RHI, Ag up to a maximum amount of Rs. 9,000 lacs for the year 2016-17.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The Company has adopted a Related Party Transactions Policy. The Policy, as approved by the Board, is uploaded on the Company's website.

Details of the transactions with Related Parties are provided in the accompanying financial statements. There were no transactions during the year which would require to be reported in Form AOC-2.

#### **13. HUMAN RESOURCES**

The Company treats its "human resources" as one of its most important assets. The Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. The Company thrust is on the promotion of talent internally through job rotation and job enlargement.

The Company's health and safety policy commits to provide a healthy and safe work environment to all employees. The Company's initiative creates a culture of fitness in the organization by helping to build a fraternity of health and fitness conscious employees. The Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization.

In order to prevent accidents, hazard perception is improved at training courses and special attention is paid to the contribution of employees to avoiding danger.

#### 14. RISK MANAGEMENT

The Company has in place a Risk Management Policy, pursuant to Section 134 of the Act. The Company has a Risk Management Committee as a measure of good governance which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework and (b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors together form the ORL Management System that governs how the Company conducts the business and manages associated risks. The Committee reviews the key risks, mitigation plans and progress of the risk management process at periodic intervals. The policy is available on the website of the Company.

#### 15. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has in place an adequate system of internal controls. It has documented policies and procedures covering all financial and operating functions and processes. These have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### 16. INTERNAL AUDIT

The Company continues to engage M/s. Chaturvedi & Partners, Chartered Accountants as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors' findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

#### 17. POSTAL BALLOT

The Company had conducted postal ballot through notice dated 19 April, 2017 for (i) modification and ratification of limit for Material Related Party Transaction with RHI, Ag up to a maximum amount of Rs. 9,000 lacs for the year 2016-17 and (ii) Approval of Material Related Party Transactions limit with RHI, Ag for the year 2017-18, 2018-19 and so on. The Company declared the result dated 27 May, 2017 and both the resolutions were approved by the shareholders of the Company. The result of the shareholders vote is given below:

Category	No. of Shares Held	Total Votes Polled		Votes cast in favour		Votes cast against	
		No. of Votes	%	No. of Votes	%	No. of Votes	%
<b>Resolution No. 1</b>	<b>To modify and ratify limit for material related party transaction with RHI, Ag for the year 2016-17.</b>						
Promoters*	83,637,771	83,637,771	100.000	-	-	-	-
Institutions	12,669,488	9,363,546	73.91	9,363,546	100.00	-	-
Retail Shareholders	23,831,941	2,526,933	10.60	2,522,422	99.82	4,511	0.18
<b>Total</b>	<b>120,139,200</b>	<b>95,528,250</b>	<b>79.52</b>	<b>11,885,968</b>	<b>12.44</b>	<b>4,511</b>	<b>0.01</b>
<b>Resolution No. 2</b>	<b>Approval of Material Related Party Transaction with RHI, Ag.</b>						
Promoters*	83,637,771	83,637,771	100.00	-	0.000	-	-
Institutions	12,669,488	9,363,546	73.91	9,363,546	100.00	-	-
Retail Shareholders	23,831,941	2,518,279	10.57	2,513,718	99.82	4,561	0.19
<b>Total</b>	<b>120,139,200</b>	<b>95,519,596</b>	<b>79.51</b>	<b>11,877,264</b>	<b>12.43</b>	<b>4,561</b>	<b>0.01</b>

[\*The votes casted by Promoter Holding Company were treated as invalid, as being interested in the resolution, the Promoter Holding Company was not entitled to vote in respect of the resolution.]



## **18. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Appointment/Re-appointment**

On the recommendations of the Nomination and Remuneration Committee, the Board appointed

- Ms. Verena Buzzi as an Additional (Non-Executive) Director of the Company effective 8 August, 2017. Ms. Buzzi brings a wealth of experience to the Board with her extensive experience in the field of finance and controlling.
- Mr. Parmod Sagar, Managing Director was appointed on 4 March, 2013 for a period of 5 years. He is going to be retired on 3 March, 2018. The Board appointed him as Managing Director and Chief Executive Office of the Company for a fresh term of 5 years effective from 4 March, 2018.

As per the provisions of the Companies Act, 2013 Mr. Erwin Jankovits will retire by rotation at the ensuing AGM and being eligible, seek re-appointment.

The resolution(s) for confirming the above appointment/re-appointments will come before you at the ensuing AGM scheduled to be held on 25 September, 2017. We seek your support and hope you will enthusiastically vote in confirming the above appointment/re-appointments to the Board.

The profile and particulars of experience, attributes and skills that qualify all of the above Directors for the Board membership is disclosed in the Notice convening the AGM.

### **Cessation**

Ms. Barbara Potisk Eibensteiner resigned as the member of the Board effective 8 August, 2017. The Board places on record their deep appreciation for the contribution during her tenure.

### **Independent Directors' Declaration**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that they meets the criteria of independence as laid out in Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

### **Governance Guidelines**

The Company has adopted Governance Guidelines on Board Effectiveness. The Governance Guidelines cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director Remuneration, Subsidiary oversight, Code of Conduct, Board Effectiveness Review and Mandates of Board Committees.

### **Procedure for Nomination and Appointment of Directors**

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Director's appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the CVs of potential candidates' vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

### **Criteria for Determining Qualifications, Positive Attributes and Independence of a Director**

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Regulation 19 read with Part D of Schedule II of the Listing Regulations.

In addition to the duties as prescribed under the Act, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgment. Independent Directors are also expected to abide by the 'Code for Independent Directors' as outlined in Schedule IV to the Act.

**Independence**

In accordance with the above criteria, a Director will be considered as an 'Independent Director' if he/she meets with the criteria for 'Independent Director' as laid down in the Act and Regulation 16 (1) (b) of the Listing Regulations.

**Qualifications**

A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill domain mix of the Board.

**Training of Independent Directors**

Every new Independent Director of the Board familiarized with the strategy, operations and functions of the Company, the Executive Directors / Senior Managerial Personnel make presentations to the inductees about the Company's strategy, operations, product and service offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his role, function, duties and responsibilities as a director. The letter of appointments is available on the website of the Company, [http://www.orientrefractories.com/corporate\\_announcements.htm](http://www.orientrefractories.com/corporate_announcements.htm)

**Annual Evaluation of Board Performance and Performance of its Committees and of Directors**

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

The Board's functioning was evaluated on various aspects, including inter-alia degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director.

Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its Committees and of the Directors.

The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. Significant highlights, learning and action points with respect to the evaluation were presented to the Board.

**Key Managerial Personnel**

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are - Mr. Parmod Sagar, Managing Director, Mr. Sanjeev Bhardwaj, Chief Financial Officer and Mr. Sanjay Kumar, Company Secretary. During the year, there has been no change in the Key Managerial Personnel.

**19. REMUNERATION POLICY**

The Company has adopted a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and the Listing Regulations. The policy is available on the web site of the Company.

**20. BOARD AND COMMITTEE MEETINGS**

Four Board Meetings were convened and held during the year.

The Board has constituted an Audit Committee with Dr. Vijay Sharma as Chairman and Mr. R. S. Bajoria and Mr. Erwin Jankovits as members. There have been no instances during the year when recommendations of the Audit Committee were not accepted by the Board. Details of the composition of the Board and its Committees and of the Meetings

held and attendance of the Directors at such Meetings, are provided in the attached Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Act and the Listing Regulations.

## **21. DIRECTORS' RESPONSIBILITY STATEMENT**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory, Cost and Secretarial Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2016-17.

Accordingly, pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively,
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **22. CORPORATE SOCIAL RESPONSIBILITY**

At ORL, Corporate Social Responsibility (CSR) strategy focuses on people, society and environment. In Orient we prioritize issues which are more important to our business and stakeholders and area where we can make the greater impact. As responsible citizen ORL is working in the vicinity of its manufacturing unit and surroundings and support initiatives that improve health, environment, education and overall living condition of the society.

The Corporate Social Responsibility Committee headed by Dr. Vijay Sharma as Chairman, with Mr. R. S. Bajoria, Mr. Erwin Jankovits and Mr. Parmod Sagar as members.

The Company has adopted a CSR Policy in compliance with the provisions of the Act. In health care domain the Company has organized health check-up camps to offer curative services and conducted awareness programmes on health issue. The Company has incurred running expenses of Ambulance to provide health support to the society. Water and sanitation facilities were also provided under CSR activities at various places. The Company has contributed to Swatch Bharat Kosh to promote the clean environment and green initiatives and also contributed to Clean Ganga Fund for cleanliness of water and manage drinking water. The Company has donated water purifiers to safe drinking water to schools in rural area. To conserve water and manage & dispose water, the Company has contributed to Chief Minister Fund of Rajasthan under Mukhya Mantri Jal Swalambar Abhiyan. To promote the education facility, the Company has renovated school building and toilets in surrounding areas, further provided necessary infrastructure & reading materials to girl hostel to promote girl child education.

The gross amount required to be spent by the Company (including unspent amount Rs. 21.08 lacs related to previous year ended 31 March, 2016) during the year ended 31 March, 2017 was Rs. 181.58 lacs, however the Company spent Rs. 151.45 lacs towards the CSR projects as stated above (as per Schedule VII of the Act) during the financial year 2016-17. The Company is in process to start new project for skill development in the local vicinity, where the unspent amount of Rs. 30.13 lacs pertaining to previous year will be spent along with the CSR contribution for the year 2017-18 as per the Companies Act, 2013. The Annual Report on CSR activities is attached and forms an integral part of this report. **(Annexure B)**

## 23. AUDITORS

### Statutory Auditors

At the 4th AGM of the Company held on 26 September, 2014 M/s. Deloitte Haskins & Sells, (DHS) Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office from the conclusion of the 4thAGM till the conclusion of the 9thAGM to be held in the year 2019, subject to ratification of their appointment at every subsequent AGM. DHS shows their unwillingness to continue as statutory auditors of the Company from conclusion of the ensuing 7th AGM.

The Board in their meeting held on 8th August 2017, based on recommendation of Audit Committee, has recommended the appointment of M/s. Price Water House, Chartered Accountants LLP as statutory auditors of the Company in the forthcoming Annual General Meeting. The Company has received a letter from PWC, Chartered Accountants LLP, to the effect that their appointment, if made, would be in accordance with the conditions prescribed under Section 139 (2) of the Companies Act, 2013 and they are not disqualified for such appointment within the meaning of Section 141 of the said Act. The members are requested to appoint M/s. Price Water House, Chartered Accountants LLP, as statutory auditors of the Company as set out at Item No. 4 of the Notice of the forthcoming Annual General Meeting.

DHS, Chartered Accountants, are the auditors of the Company and will hold office until the conclusion of the ensuing AGM. On your behalf and on our own behalf we place on record our sincere appreciation for the services rendered by DHS during its association with the Company.

### Cost Auditors

As per Section 148 of the Companies Act, 2013 ('Act'), the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. K. G. Goyal & Associates as the cost auditors of the Company for the year ending 31 March, 2018.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company. Accordingly, appropriate resolution forms part of the Notice convening the AGM. The Board seeks your support in approving the proposed remuneration of Rs. 50,000 plus out-of-pocket expenses payable to the Cost Auditors for the Financial Year ending 31 March, 2018.

M/s. K. G. Goyal & Associates have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the past several years under the provisions of the erstwhile Companies Act, 1956.

The Cost Audit Report for the year ended 31 March, 2017 will be filled within statutory time limit.

### Secretarial Auditors

Section 204 of the Companies Act, 2013 inter-alia requires every listed company to annex with its Board's report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed form.

The Board appointed M/s. Naresh Verma & Associates, practicing Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2016-17 and their report is annexed and forms an integral part of this report (**Annexure C**).

The observation by Secretarial Auditor's regarding short fall in Corporate Social Responsibility expenditure and breach in the thresh limit of material related part transaction are explained elsewhere in this report. The Board has also appointed M/s. Naresh Verma & Associates as Secretarial Auditor to conduct Secretarial Audit of the Company for Financial Year 2017-18.

## 24. Extract of the Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 as per provisions of the Companies Act, 2013 and Rules thereto are annexed and form an integral part of this report. (**Annexure D**).

## 25. PARTICULARS OF EMPLOYEES AND REMUNERATION

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules forms part of the report (**Annexure E**). None of the employees listed in the said Annexure is related to any Director of the Company and all employees are on permanent pay roll of the Company.

## **26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

## **27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

## **28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on Conservation of energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134 (3) (m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is attached and form an integral part of this report. (**Annexure F**)

## **29. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company did not have any fund lying unpaid or unclaimed for a period of seven years. Therefore there was no fund which was required to be transferred to Investor Education and Protection Fund (IEPF). Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last Annual General Meeting (i.e. 26 September, 2016), with the Ministry of Corporate Affairs.

## **30. LISTING WITH STOCK EXCHANGES**

The Company confirms that it has paid the annual listing fees for the year 2017-18 to NSE and BSE where the Company's shares are listed.

## **31. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has Zero tolerance towards any action on the part of any employee, which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee working in the Company. There was no complaint reported during the Financial Year under the said Act.

## **32. DISCLOSURE REQUIREMENTS**

As per the Listing Regulations Corporate Governance Report with Auditors' Certificate thereon and Management Discussion and Analysis Report are attached, which form part of this report.

- Policy on dealing with Related Parties is available on the website of the Company.  
(URL: <http://www.orientrefractories.com/policies.htm>).
- Policy on Corporate Social Responsibility is available on the website of the Company.  
(URL: <http://www.orientrefractories.com/policies.htm>).
- Policy on Remuneration and Nomination of Directors, Key Managerial Personals and Other Employees of the Company is available on the website of the Company. (URL: <http://www.orientrefractories.com/policies.htm>).
- Policy for Evaluation of the Performance of the Board of Directors is available on the website of the Company.  
(URL: <http://www.orientrefractories.com/policies.htm>).

- Code of Conduct for Board Members, Independent Directors, Senior Management Personnel and Other Employees of the Company is available on the website of the Company. (URL: [http://www.orientrefractories.com/code\\_of\\_conduct.htm](http://www.orientrefractories.com/code_of_conduct.htm))
- Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders is available on the website of the Company. (URL: <http://www.orientrefractories.com/policies.htm>).

### **33. ACKNOWLEDGEMENT**

Your Directors wish to thank all the employees of the Company for their dedicated service during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, business partners and other stakeholders.

**On behalf of the Board of Directors**

**New Delhi  
8 August, 2017**

**Dr. Vijay Sharma**  
Chairman  
(DIN: 00880113)

### **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE CODE OF CONDUCT**

This is to confirm that the Company has adopted the Code of Conduct for its employees including the Executive & Non-Executive Directors. The Code is available on the Company's website at [www.orientrefractories.com](http://www.orientrefractories.com)

I confirm that the Company has in respect of the Financial Year ended 31 March, 2017, received from the Senior Management Team of the Company and the Members of the Board, a declaration of compliance with the Code of Conduct as applicable to them.

**New Delhi  
8 August, 2017**

**Sd/-**  
**Parmod Sagar**  
Managing Director  
(DIN: 06500871)

## **ANNEXURE A**

### **MANAGEMENT DISCUSSION AND ANALYSIS**

#### **GENERAL REVIEW**

**Orient Refractories Ltd. (ORL)** is in the business of Manufacturing and Marketing Special Refractory Products, Systems and Services to the Steel Industry with Global Presence. ORL is market leader for Special Refractories in India and has many Global partners for its international quality products. ORL produces more than 40,000 tons of refractory per annum customized products and system solutions. Refractory material is used to provide thermal insulating lining in Furnaces, Kilns, Reactors, etc. The refractory material is mainly used in Iron & Steel industry, Metal Smelters, Cement, Glass Industries, etc.

Demand of refractory product is primary driven by the growing prosperity, the level of industrial production and infrastructure projects. The growth of refractory industry primarily depends on the growth of Iron & Steel Industry. Refractory products are crucial for the quality of the products and safety of the manufacturing processes at the customer end. ORL aims at maximum customer satisfaction by providing quality products for their complete refractory solution. Being a part of RHI AG Group, Austria, who is world market leader in Refractories, ORL is setting new standards through continuous improvement and innovation processes by effectively adopting the RHI experience based on decades of research and development activities. This has given ORL a leading edge over the competitors to maintain high market share in their segment of special refractories business.

ORL has continual programs for improving efficiency and effectiveness in manufacturing processes, raw material cost, energy conservation, control over working capital, to produce special refractories at low cost so as to add maximum value to the customers. The most valuable asset of ORL is the very experienced team of technical personnel and other experts, having intense knowledge of the market and products. Their innovative ideas and commitment is very important factor for securing the Company's success in the long run.

The Company's export is a fair share of its output to various overseas customers. The Company export has grown by 18.20 % during the year 2016-17. ORL products are widely accepted throughout the world because of high quality at competitive prices.

In Year 2016, ORL parent Company, RHI AG reached an agreement with controlling shareholding of another global refractory company, M/s. Magnesita, GP & Rohne. The combined Company will be able to offer ORL customers even more comprehensive range of products and services.

#### **Business Environment**

##### **A. Global Economy**

The global growth rates of 3.1 % in 2016 fell short of the forecast to International Monetary Fund (IMF) of 3.4%. The main attributes were higher volatility in financial market, slower growth in advanced economies, recession in emerging countries like Russia and Brazil, as well as slower growth in China. The economy improved in second half of Year 2016, growth picked in US due to lower rate of unemployment and buoyant consumer demand. India has fared better than the world average in terms of growth rate, in spite of demonetization exercise and banking restrictions. IMF has projected economic activities to improve in year 2017 and 2018, with global growth projections at 3.5 % and 3.6% respectively.

The global steel sector grew by 1% on year to year basis. The market remained depressed in CIS, Middle East, Africa, and Americas. China, Japan, India, USA, Turkey and Ukraine were among ten top steel producing countries in year 2016.

##### **B. Indian Economy**

India is on continuous growth path since 2014 due to favour able Industrial policy and Government reforms which are very well executed and they helped in sustainable and strong economy growth. The lower crude oil prices have also helped to reduce current account deficit, improve fiscal position and lower inflation. These factors gave boost to Indian economy which has emerged on the World's fastest growing major economy.

Against the projected GDP of 7.9% in 2016-17, the actual GDP growth was 7.1%. This was mainly due to global low activity level and demonetization exercise in India, which was a temporary phase in third quarter. The situation has largely normalized, following the government's re-monetization process. Good monsoon has attributed to agriculture growth of 4% and the manufacturing sector growth was 5.2%. Government's effort to improve the ease of doing business and relaxation in FDI norms has yielded positive results.

India's steel production grew by 4.3% year to year basis to 97.4 million tons in Financial Year 2016-17. India was third largest steel producer in the world in 2016-17. The steel sector was impacted by low cost steel imports. India imposed Minimum Import Price (MIP) in February 2016 to curtail unfair steel imports into the country, which provided some relief to industries. Further government imposed anti-dumping duty to check overflow of steel imports at lower cost to India. However despite the remedial measures the steel industry did not see desirable upswing during the year. Poor liquidity and demonetization exercise also posed hurdle to steel growth. However, this does not negate the fact that the long term potential of the Indian Steel Industry remains bright.

## **INDUSTRY STRUCTURE DEVELOPMENTS, OPPORTUNITIES, THREATS, RISKS & CONCERNS AND FUTURE OUTLOOK**

Indian Industry is expecting continuous growth momentum, which is driven by Government's initiatives, such as, investment in infrastructure projects, railway projects, new roads, smart city concept, Air ports in 'B' Cities etc. Government has also taken policy initiatives, such as, change in taxation rules (GST), and introduction of Bankruptcy Policy & Insolvency Act to review the industries. To attract Foreign Direct Investment, the Government has eased the process of doing business in India. The Make in India initiatives should also boost the demand for Steel in India. This will also increase refractories products demand in the domestic market. Further, lower oils prices have positive impact on foreign payments and also RBI's intervention to regulate the foreign payments has stabilized the prices.

The Steel Industry in 2017-18 is optimistic because of increase in steel demand with continuous recovery in the developing economy and growth momentum in emerging and developing countries. The US Administration is planning to spend on New Buildings, Roads, Highways, Bridges, Airports, Tunnels & Railways Lines across the countries. Some positive development from Europe because of stability in the region will also attract new investments. China, which accounts almost 50% of global steel demand is expected to remain flat due to subdued growth rate.

India expected to become the second largest steel producer in the world by 2018 based on the demand, capacity addition and new steel policy of Government of India.

Further risks to this outlook are high corporate debts and low demand in real estate market. Also the raw material price volatility may have an adverse effect on steel industry.

All these factors are monitored on continuous basis by ORL and necessary actions will be taken in time. Your directors are keeping close watch on overall economy and give input whenever required. With the positive support of RHI Ag, we see good prospects and strong competitive advantage for ORL India going ahead.

Your Directors are hopeful to sustain the same growth in year 2017-18.

## **FINANCIAL OF SEGMENTS**

Financial of business segments are given in detail in notes to the financial statements of the annual report.

## **HUMAN RESOURCES**

Employees being prime force, the Company give equal emphasis on employees' development and their engagement. The Company believes in enhancing the competencies of employees to create a high performing and innovative organization. Employees are facilitated to participate in training programs in house and at outside institutes. Equal emphasis is given on technical & soft skills. For personal development, faculty members are invited to provide inputs. To provide research & development inputs, employees are sent to IIT, Kanpur for training. Last year our main focus of in-house trainings was on interpersonal skills, role of supervisors and 5's at shop floor. The Company endeavors to keep the employees motivation high level by providing congenial work atmosphere and rewarding/remunerating effectively. Various initiatives have been launched to engage employees. Celebrating festivals and achievements on various occasions is part of ORL culture.

There are cordial relations between the Management and the employees of the Company.

## **Cautionary statement**

*The Management Discussion and Analysis Report contains some forward looking statements based upon the information and data available with the Company, assumptions with regard to global economic conditions, the government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Hence it is cautioned that the actual results may differ from those expressed or implied in this report.*



**ANNEXURE B**

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

- |   |  |
|---|--|
| 1. 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.                                    | <p>Refer Section Corporate Social Responsibility in this report.</p> <p>The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website at the web link:</p> <p>The Overview of CSR projects and programmes are available at: <a href="http://www.orientrefractories.com/csr.htm">http://www.orientrefractories.com/csr.htm</a></p> |
| 2. The Composition of the CSR Committee   | <p>1. Dr. Vijay Sharma (Chairman)</p> <p>2. Mr. R S Bajoria</p> <p>3. Mr. Erwin Jankovits</p> <p>4. Mr. Parmod Sagar</p>   |
| 3. Average net profit of the Company for last three financial years.  | Rs. 8,024.81 Lacs  |
| 4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above).   | Rs.160.50 Lacs   |
| 5. Details of CSR spent for the financial year.   |  |
| (a) Total amount to be spent for the financial year   | Rs. 181.58 Lacs. (Including unspent amount of Rs. 21.08 Lacs for the financial year 2015-16)   |
| (b) Amount unspent, if any  | Rs. 30.13 Lacs   |
| (c) Manner in which the amount spent during the financial year is detailed below  | The manner in which the amount is spent is annexed.  |
| 6. In case the Company has failed to spend the two per cent 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. | Details provided in the Board's Report.  |
| 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.  | The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company   |

**For Orient Refractories Limited**

**New Delhi,  
8 August, 2017**

**Parmod Sagar**  
Managing Director  
(DIN: 06500871)

**Dr. Vijay Sharma**  
Chairman-CSR Committee  
(DIN: 00880113)



**Annexure to the Corporate Social Responsibility Annual Report**  
**Manner in which the amount spent during the financial year is detailed below:**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through Implementing agency
				(Amount in Rs. Lacs)			
1.	Clean Ganga Fund	Contribution to Clean Ganga Fund	Pan-India	80.00	80.00	80.00	Direct
2.	Swachh Bharat Kosh	Contribution to Swachh Bharat Kosh		43.00	43.00	43.00	Direct
3.	Mukhya Mantri Jal Swavlamban Abhiyan	Maintaining quality of Soil, Air and Water	Rajasthan	7.00	7.00	7.00	Direct
4.	Water Purifiers in Schools	Making available safe drinking water	Alwar, Rajasthan	1.50	1.23	1.23	Direct
5.	Maharaja Surajmal Jan Kalyan Sansthan	Promoting Education		1.00	0.63	0.63	Direct
6.	Mewat Balika Residential Vidyalaya	Promoting health care including preventive healthcare		1.50	0.96	0.96	Direct
7.	Organise Health Check up Camps			7.00	5.48	5.48	Direct
8.	Message Sansthan			5.00	5.00	5.00	Direct
9.	Maintenance of Ambulance donated to a trust			1.00	0.92	0.92	Direct
10.	The Earth Saviours Foundation	Measures for reducing inequalities faced by socially & economically backward groups	Gurugram, Haryana	5.00	4.22	4.22	Direct
11.	Miscellaneous	Administrative Expenses		3.01	3.01	3.01	Direct
		<b>Total</b>		<b>155.01</b>	<b>151.45</b>	<b>151.45</b>	

## ANNEXURE C

Form No. MR-3

**Secretarial Audit Report for the Financial Year ended 31 March, 2017**

**Pursuant to Section 204 (1) of the Companies Act, 2013.**

**[Read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members,  
**Orient Refractories Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Orient Refractories Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Orient Refractories Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Orient Refractories Limited ("**the Company**") for the financial year ended on 31 March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 55A;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - 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#;
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014#;
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations 2012#;
  - 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 to the extent of securities issued;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009#, and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998#.

**# No event took place under these Regulations during the Audit period.**

- vi. There are no specific laws applicable to Company as stated in ICSI guidance note on secretarial audit as per the Management representation letter.

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

- (i) Secretarial Standards issued by "The Institute of Company Secretaries of India";
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including amendments thereto.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above etc. mentioned above except to the extent stated hereunder:-

### **Observations:**

- *The threshold limits approved by its shareholders in the last Annual General Meeting for material related party transactions of the Company with RHI AG, Austria was breached by the Company during the year. A fresh approval from shareholders for revised threshold limits and for ratifying the breach was taken by the Company through postal ballot.*

- *The expenditure made by the Company towards CSR activities during the year ended 31 March, 2017 is less than the prescribed amount.*

**We further report that:**

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

Adequate notice was 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decision of the Board were unanimous and no dissenting views were found to be recorded.

**We further report that** as per the explanations given to us and the representations made by the Management and relied upon by us 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.

**We further report that**, there were no events / actions which have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines standards etc. happened during the audit period:-

**For Naresh Verma & Associates**

Company Secretaries

**Naresh Verma**

CP:4424, FCS: 5403

**Place : New Delhi**

**Date : 8 August, 2017**

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

**Annexure-I**

To,

The Members,

**Orient Refractories Limited**

Our report on even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that 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 Account of the Company.
4. Where ever 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 procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Naresh Verma & Associates**

Company Secretaries

**Naresh Verma**

CP:4424, FCS: 5403

**Place : New Delhi**

**Date : 8 August, 2017**

## ANNEXURE D

Form No. MGT 9

Extract of Annual Return as on 31 March, 2017

Pursuant to Section 92(3) of the Companies Act, 2013.

[Read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

CIN	L28113DL2010PLC210819
Registration date	26 November, 2010
Name of the Company	Orient Refractories Limited
Category/Sub-category of the Company	Public Company/Limited by Shares
Address of the registered office and contact details	804-A, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019 Tel. No. : 011-41518482 E-mail: ho@orlindia.com Web-site: www.orientrefractories.com
Whether listed company Yes/No	Yes
Name, address and contact details of the Registrar and Transfer Agent, if any.	Skyline Financial Services Private Limited D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi - 110 020 Tel. No.:011-26812682 Fax No.:011-30857562 E-mail:admin@skylinerta.com Website: www.skylinerta.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated :

S. No.	Name and Description of main products/services	NIC Code of the product /service	% to total turnover of the Company
1.	Manufacturing of Refractories and Monolithics Items	2391	77.48
2.	Trading of Refractory Items		20.41

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Dutch US Holding B.V.	NA	Holding	69.62	Section 2(46)

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of Total Equity)**
**(i) Category-wise Share Holding**

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	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)									
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other.....	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (1)</b>	-	-	-	-	-	-	-	-	-
<b>2. Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	83,637,771	-	83,637,771	69.62	83,637,771	-	83,637,771	69.62	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>83,637,771</b>	-	<b>83,637,771</b>	<b>69.62</b>	<b>83,637,771</b>	-	<b>83,637,771</b>	<b>69.62</b>	-
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>83,637,771</b>	-	<b>83,637,771</b>	<b>69.62</b>	<b>83,637,771</b>	-	<b>83,637,771</b>	<b>69.62</b>	-
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	7,283,363	-	7,283,363	6.06	5,882,524	-	5,882,524	4.90	(1.17)
b) Banks/FI	35,500	5,000	40,500	0.03	44,075	5,000	49,075	0.04	0.01
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	6,482,655	-	6,482,655	5.40	6,852,952	-	6,852,952	5.70	0.31
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B)(1)</b>	<b>13,801,518</b>	<b>5,000</b>	<b>13,806,518</b>	<b>11.49</b>	<b>12,779,551</b>	<b>5,000</b>	<b>12,784,551</b>	<b>10.64</b>	<b>(0.85)</b>
<b>2. Non Institutions</b>									
a) Bodies corporates									
i) Indian	5,187,190	26,240	5,213,430	4.34	5,501,518	26,240	5,527,758	4.60	0.26
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs.2 lakhs	12,662,658	2,323,842	14,986,500	12.47	14,711,971	2,039,176	16,751,147	13.94	1.47
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1,635,178	-	1,635,178	1.36	423,393	-	423,393	0.35	(1.01)
c) NBFCs Registered with RBI	-	-	-	-	29,550	-	29,550	0.02	0.02
d) Others (specify)									
(d-i) NRI (Repat& Non-Rept.)	243,485	1,074	244,559	0.20	454,178	1,074	455,252	0.38	0.18
(d-ii) Hindu Undivided Family	427,601	-	427,601	0.36	467,539	-	467,539	0.39	0.03
(d-iii) Trust	132,000	-	132,000	0.11	10,000	-	10,000	0.01	(0.10)
(d-iv) ClearingHouse/Members	55,643	-	55,643	0.05	52,239	-	52,239	0.04	(0.00)
<b>Sub Total (B)(2):</b>	<b>20,343,755</b>	<b>2,351,156</b>	<b>22,694,911</b>	<b>18.89</b>	<b>21,650,388</b>	<b>2,066,490</b>	<b>23,716,878</b>	<b>19.74</b>	<b>0.85</b>
<b>Total public shareholding (B)= (B)(1)+(B)(2)</b>	<b>34,145,273</b>	<b>2,356,156</b>	<b>36,501,429</b>	<b>30.38</b>	<b>34,429,939</b>	<b>2,071,490</b>	<b>36,501,429</b>	<b>30.38</b>	-
<b>C. Shares held by custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>117,783,044</b>	<b>2,356,156</b>	<b>120,139,200</b>	<b>100.00</b>	<b>118,067,710</b>	<b>2,071,490</b>	<b>120,139,200</b>	<b>100.00</b>	-

**(ii) Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding 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	
1.	Dutch US Holding B.V.	83,637,771	69.62	-	83,637,771	69.62	-	-
	<b>Total</b>	<b>83,637,771</b>	<b>69.62</b>	<b>-</b>	<b>83,637,771</b>	<b>69.62</b>	<b>-</b>	<b>-</b>

**(iii) Change In Promoters' Shareholding (please specify if there is no change)**

S. No.	Particulars	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.	At the beginning of the year	-	-	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
3.	At the end of the year	-	-	-	-

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)**

S. No.	Shareholder Name	Remarks	Date*	Shareholding at the end 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.	Pinebridge Investments GF Mauritius Ltd.	At the beginning of the year	01.04.2016	3,285,222	2.73	3,285,222	2.73
		Purchase	08.04.2016	16,290	0.01	3,301,512	2.75
		At the end of the year	31.03.2017	3,301,512	2.75	3,301,512	2.75
2.	SBI Small And Midcap Fund	At the beginning of the year	01.04.2016	5,105,857	4.25	5,105,857	4.25
		Purchase	08.04.2016	27,967	0.02	5,133,824	4.27
		Sale	03.06.2016	(20,000)	(0.02)	5,113,824	4.26
		Sale	10.06.2016	(2,013,824)	(1.68)	3,100,000	2.58
		Purchase	24.06.2016	2,000,000	1.66	5,100,000	4.25
		Sale	30.12.2016	(31,878)	(0.03)	5,068,122	4.22
		Sale	06.01.2017	(368,122)	(0.31)	4,700,000	3.91
		Sale	20.01.2017	(226,000)	(0.19)	4,474,000	3.72
		Sale	27.01.2017	(59,000)	(0.05)	4,415,000	3.67
		Sale	03.02.2017	(195,999)	(0.16)	4,219,001	3.51
		Sale	10.02.2017	(219,001)	(0.18)	4,000,000	3.33
		Sale	24.02.2017	(12,300)	(0.01)	3,987,700	3.32
		Sale	03.03.2017	(120,724)	(0.10)	3,866,976	3.22
		Sale	10.03.2017	(33,955)	(0.03)	3,833,021	3.19
		Sale	17.03.2017	(9,323)	(0.01)	3,823,698	3.18
		Sale	24.03.2017	(504,949)	(0.42)	3,318,749	2.76
		Sale	31.03.2017	(315,000)	(0.26)	3,003,749	2.50
		At the end of the year	31.03.2017	3,003,749	2.50	3,003,749	2.50

S. No.	Shareholder Name	Remarks	Date*	Shareholding at the end 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
3.	Birla Sun Life Trustee Company Pvt. Ltd. A/C Birla Sun Life Balanced Advantage Fund	At the beginning of the year	01.04.2016	2,177,506	1.81	2,177,506	1.81
		Purchase	12.08.2016	7,200	0.01	2,184,706	1.82
		Sale	09.09.2016	(53,800)	(0.04)	2,130,906	1.77
		Purchase	23.09.2016	2,000	0.00	2,132,906	1.78
		Purchase	21.10.2016	9,000	0.01	2,141,906	1.78
		Sale	28.10.2016	(14,900)	(0.01)	2,127,006	1.77
		Purchase	04.11.2016	13,810	0.01	2,140,816	1.78
		Purchase	18.11.2016	115,700	0.10	2,256,516	1.88
		Sale	02.12.2016	(38,700)	(0.03)	2,217,816	1.85
		Purchase	06.01.2017	1,600	0.00	2,219,416	1.85
		Purchase	20.01.2017	150,000	0.12	2,369,416	1.97
		Sale	27.01.2017	(18,400)	(0.02)	2,351,016	1.96
		Purchase	03.02.2017	18,500	0.02	2,369,516	1.97
		Sale	10.02.2017	(24,000)	(0.02)	2,345,516	1.95
		Purchase	03/03/2017	5,200	0.00	2,350,716	1.96
		At the end of the year	31.03.2017	2,350,716	1.96	2,350,716	1.96
4.	Malabar India Fund Ltd.	At the beginning of the year	01.04.2016	2,215,058	1.84	2,215,058	1.84
		Sale	09.09.2016	(21,269)	(0.02)	2,193,789	1.83
		Sale	23.09.2016	(10,074)	(0.01)	2,183,715	1.82
		Sale	30.09.2016	(109,857)	(0.09)	2,073,858	1.73
		Sale	07.10.2016	(30,555)	(0.03)	2,043,303	1.70
		Sale	14.10.2016	(2,750)	(0.00)	2,040,553	1.70
		Sale	28.10.2016	(25,495)	(0.02)	2,015,058	1.68
		Sale	04.11.2016	(215,058)	(0.18)	1,800,000	1.50
		Sale	17.02.2017	(200,000)	(0.17)	1,600,000	1.33
		Sale	24.02.2017	(6,400)	(0.01)	1,593,600	1.33
		At the end of the year	31.03.2017	1,593,600	1.33	1,593,600	1.33
5.	Government of Singapore - E	At the beginning of the year	01.04.2016	-	-	-	-
		Purchase	06.01.2017	331,286	0.28	331,286	0.28
		Purchase	03.02.2017	314,689	0.26	645,975	0.54
		Purchase	10.02.2017	10,595	0.01	656,570	0.55
		At the end of the year	31.03.2017	656,570	0.55	656,570	0.55
6.	L & T Mutual Fund Trustee Ltd.- L & T Infrastructure Fund	At the beginning of the year	01.04.2016	-	-	-	-
		Purchase	26.08.2016	56,077	0.05	56,077	0.05
		Purchase	02.09.2016	178,732	0.15	234,809	0.20
		Purchase	17.02.2017	235,000	0.20	469,809	0.39
		At the end of the year	31.03.2017	469,809	0.39	469,809	0.39
7.	Pinebridge India Equity Fund	At the beginning of the year	01.04.2016	404,000	0.34	404,000	0.34
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	404,000	0.34	404,000	0.34
8.	SNK Investments Pvt. Ltd.	At the beginning of the year	01.04.2016	297,257	0.25	297,257	0.25
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	297,257	0.25	297,257	0.25



S. No.	Shareholder Name	Remarks	Date*	Shareholding at the end 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
9.	Alok Rajgarhia	At the beginning of the year	01.04.2016	443,237	0.37	443,237	0.37
		Sale	12.08.2016	(40,000)	(0.03)	403,237	0.34
		Sale	19.08.2016	(1,860)	(0.00)	401,377	0.33
		Sale	26.08.2016	(31,392)	(0.03)	369,985	0.31
		Sale	02.09.2016	(929)	(0.00)	369,056	0.31
		Sale	09.09.2016	(12,000)	(0.01)	357,056	0.30
		Sale	16.09.2016	(2,000)	(0.00)	355,056	0.30
		Sale	23.09.2016	(2,000)	(0.00)	353,056	0.29
		Sale	30.09.2016	(2,001)	(0.00)	351,055	0.29
		Sale	07.10.2016	(799)	(0.00)	350,256	0.29
		Sale	28.10.2016	(8,000)	(0.01)	342,256	0.28
		Sale	04.11.2016	(2,000)	(0.00)	340,256	0.28
		Sale	02.12.2016	(119)	(0.00)	340,137	0.28
		Purchase	09.12.2016	119	0.00	340,256	0.28
		Purchase	16.12.2016	1,000	0.00	341,256	0.28
		Sale	23.12.2016	(1,000)	(0.00)	340,256	0.28
		Sale	10.02.2017	(23,500)	(0.02)	316,756	0.26
		Sale	17.02.2017	(3,000)	(0.00)	313,756	0.26
		Sale	24.02.2017	(17,378)	(0.01)	296,378	0.25
		Sale	03.03.2017	(4,784)	(0.00)	291,594	0.24
		Sale	10.03.2017	(5,000)	(0.00)	286,594	0.24
		Sale	17.03.2017	(539)	(0.00)	286,055	0.24
		Sale	24.03.2017	(1,803)	(0.00)	284,252	0.24
		Sale	31.03.2017	(25,000)	(0.02)	259,252	0.22
		At the end of the year	31.03.2017	259,252	0.22	259,252	0.22
10.	The HP Invest Alternatives Erisa Sub-Fund	At the beginning of the year	01.04.2016	222,868	0.19	222,868	0.19
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	222,868	0.19	222,868	0.19
11.	Shalu Goel	At the beginning of the year	01.04.2016	217,275	0.18	217,275	0.18
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	217,275	0.18	217,275	0.18
12.	Sailesh Raj Bhan	At the beginning of the year	01.04.2016	200,000	0.17	200,000	0.17
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	200,000	0.17	200,000	0.17

S. No.	Shareholder Name	Remarks	Date*	Shareholding at the end of the year		Cumulative shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
13.	Ashok Kumar Rajgarhia	At the beginning of the year	01.04.2016	440,000	0.37	440,000	0.37
		Sale	12.08.2016	(100,000)	(0.08)	340,000	0.28
		Sale	26.08.2016	(25,500)	(0.02)	314,500	0.26
		Sale	02.09.2016	(474)	(0.00)	314,026	0.26
		Sale	09.09.2016	(11,000)	(0.01)	303,026	0.25
		Sale	28.10.2016	(50,000)	(0.04)	253,026	0.21
		Sale	10.02.2017	(250,000)	(0.21)	3,026	0.00
		Purchase	17.02.2017	146,974	0.12	150,000	0.12
		Sale	24.02.2017	(10,000)	(0.01)	140,000	0.12
		Sale	03.03.2017	(10,000)	(0.01)	130,000	0.11
		Sale	24.03.2017	(10,617)	(0.01)	119,383	0.10
		At the end of the year	31.03.2017	119,383	0.10	119,383	0.10
14.	Pinebridge Global Funds - Pinebridge Asia Ex Japan Small Cap Equity Fund	At the beginning of the year	01.04.2016	234,319	0.20	234,319	0.20
		Sale	20.05.2016	(28,920)	(0.02)	205,399	0.17
		Sale	27.05.2016	(76,720)	(0.06)	128,679	0.11
		Sale	03.06.2016	(128,679)	(0.11)	-	-
		At the end of the year	31.03.2017	-	-	-	-
15.	IL & FS Trust Company Ltd.	At the beginning of the year	01.04.2016	640,040	0.53	640,040	0.53
		Sale	10.06.2016	(37,195)	(0.03)	602,845	0.50
		Sale	17.06.2016	(9,788)	(0.01)	593,057	0.49
		Sale	30.06.2016	(3,987)	(0.00)	589,070	0.49
		Sale	22.07.2016	(65,001)	(0.05)	524,069	0.44
		Sale	12.08.2016	(150,772)	(0.13)	373,297	0.31
		Sale	26.08.2016	(150,769)	(0.13)	222,528	0.19
		Sale	02.09.2016	(20,164)	(0.02)	202,364	0.17
		Sale	09.09.2016	(42,364)	(0.04)	160,000	0.13
		Sale	04.11.2016	(7,054)	(0.01)	152,946	0.13
		Sale	03.02.2017	(82,946)	(0.07)	70,000	0.06
		Sale	10.02.2017	(70,000)	(0.06)	-	-
		At the end of the year	31.03.2017	-	-	-	-

**Note:**

\*Date of transfer has been considered as the date on which the beneficiary position was provided by the Depositories to the Company. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder. Change in top ten shareholders at the beginning and at the end of the year.

**(v) Shareholding of Directors & Key Managerial Personnel:**

S. No.	Name	Remarks	Date	Shareholding at the end 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.	Mr. Parmod Sagar-Director	At the beginning of the year	01.04.2016	13,698	0.01	13,698	0.01
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	13,698	0.01	13,698	0.01
2.	Mr. Sanjeev Bhardwaj-KMP	At the beginning of the year	01.04.2016	2,250	0.00	2,250	0.00
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31.03.2017	2,250	0.00	2,250	0.00

**Following Directors/Key Managerial Personnel did not hold any shares during the year 2016-17.**

Dr. Vijay Sharma-Director, Mr. R.S. Bajoria-Director, Ms. Barbara Potisk-Eibensteiner –Director, Mr. Reinhold Steiner –Director, Mr. Erwin Jankovits-Director and Mr. Sanjay Kumar-KMP

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

**(Amount in Rs. Lacs)**

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in indebtedness during the financial year</b>				
Additions	-	41.82	-	41.82
Reduction	-	(41.82)	-	(41.82)
<b>Net Change</b>	-			
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration To Managing Director, Whole Time Director and/or Manager**

S. No	Particulars of Remuneration	Mr. Parmod Sagar Managing Director	Total Amount (in Rs. Lacs)
1.	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961	184.85	184.85
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.40	0.40
(c)	Profits in lieu of salary under section 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	-	-
<b>Total (A)</b>		<b>185.25</b>	<b>185.25</b>
<b>Ceiling as per the Act</b>			<b>535.36</b>

**B. Remuneration to other Directors**
**1. Independent Directors**

S. No	Particulars of Remuneration	Name of the Directors		Total Amount (in Rs. lacs)
		Dr. Vijay Sharma	Mr. R. S. Bajoria	
1.	Fee for attending Board/Committee Meetings	3.25	3.25	6.50
2.	Commission	-	-	-
3.	Others, please specify	-	-	-
<b>Total (B1)</b>		<b>3.25</b>	<b>3.25</b>	<b>6.50</b>

**2. Other Non-Executive Directors**

S. No	Particulars of Remuneration	Name of the Directors			Total Amount (in Rs. lacs)
		Mr. Reinhold Steiner	Mr. Erwin Jankovits	Ms. Barbara Potisk-Eibensteiner	
1.	Fee for attending Board/Committee Meetings	-	-	-	-
2.	Commission	-	-	-	-
3.	Others, please specify.	-	-	-	-
<b>Total (B2)</b>		-	-	-	-
<b>Total (B)=(B1+B2)</b>					<b>6.50</b>
<b>Total Managerial Remuneration (A+B)</b>					<b>191.75</b>
<b>Overall ceiling as per the Act.</b>					<b>1,177.79</b>

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

S. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount (in Rs. Lacs)
		Mr. Sanjay Kumar Company Secretary	Mr. Sanjeev Bhardwaj Chief Financial Officer	
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	12.11	58.10	70.21
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	0.40	0.40
(c)	Profits in lieu of salary under section 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	-	-	-
<b>Total</b>		<b>12.11</b>	<b>58.50</b>	<b>70.61</b>

**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			None		
- Punishment					
- Compounding					
B. Directors					
- Penalty			None		
- Punishment					
- Compounding					
C. Other officers in default					
- Penalty			None		
- Punishment					
- Compounding					

On behalf of the Board of Directors

**Dr. Vijay Sharma**  
Chairman  
(DIN: 00880113)

New Delhi  
8 August, 2017

## ANNEXURE E

**Statement of Disclosure pursuant to Section 197 of the Companies Act, 2013.**

**[Read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

- The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the financial year:

[(Explanation: (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values]

- The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year:

The ratio of remuneration of each Director to the Median Remuneration of all employees who were on the payroll of the Company and the percentage increase in remuneration of the Directors, Chief Financial Officer and Company Secretary during the financial year 2016-17 are given below:

	Ratio to median remuneration	% increase in remuneration in the financial year
<b>Non-Executive Directors</b>		
Dr. Vijay Sharma	1.02	8.33
Mr. R. S. Bajoria	1.02	8.33
Ms. Barbara Potisk Eibensteiner <sup>#</sup>	-	-
Mr. Reinhold Steiner <sup>#</sup>	-	-
Mr. Erwin Jankovits <sup>#</sup>	-	-
<b>Executive Directors</b>		
Mr. Parmod Sagar	65.81	5.56
<b>Key Managerial Personnel</b>		
Mr. Sanjeev Bhardwaj-CFO	22.89	11.25
Mr. Sanjay Kumar-Company Secretary	4.21	17.24

<sup>#</sup>The above mentioned non-executive directors are not drawing any remuneration from the Company.

- The percentage increase in the median remuneration of employees in the financial year: 13.25%
- The number of permanent employees on the rolls of the Company: 473
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 15.56% on a cost to Company basis, as against an increase of 5.56% in the salary of the Managing Director (Managerial Personnel as defined under the Act). The increment given to each individual employee is based on the employees' potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against a comparable basket of relevant companies in India.

- Affirmation that the remuneration is as per the Remuneration Policy of the Company:  
It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
- The statement containing particulars of the employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

**(a) Top ten employees in term of remuneration drawn :**

S. No.	Employee Name (Designation) [Age(in years)]	Educational Qualification	Experience (in years)	Date of Joining	Gross Remuneration Paid (in Rs. Lacs)	Previous Employment (Designation)
1.	Mr. Parmod Sagar (Managing Director) (52 Years)	B.E. (Mech.)	34	15.04.1992	210.69	Orient Abrasives Ltd. (Sr. Vice President)
2.	Mr. Sanjeev Bhardwaj (Chief Financial Officer) (52 Years)	Chartered Accountant & Company Secretary	29	10.06.2013	73.30	Sterling Tools Ltd. (Vice President)
3.	Mr. Purshottam Dass (Vice President) (55 Years)	B.E. (Electrical & Electronics)	30	01.01.2013	49.56	Samtel India Ltd. (Vice President)
4.	Mr. Suneel Chawla (Vice President) (53 Years)	B.Com. & Company Secretary	34	21.10.2015	45.23	Jindal Steel & Power Ltd. (General Manager)
5.	Mr. Manoj Gupta (Asst. Vice President) (43 Years)	Chartered Accountant & Cost Management Accountant	19	23.08.2008	30.71	Orient Abrasives Ltd. (Sr. General Manager)
6.	Mr. Lakshmi Narayan Banerjee (Asst. Vice President) (68 Years)	M.Sc.	44	19.08.1998	29.32	Orient Abrasives Ltd. (Asst. Vice President)
7.	Mr. Manoj Kumar Rout (Sr. General Manager) (46 Years)	B.Sc. PG Dip. in Computer Application	24	15.11.2008	23.43	Orient Abrasives Ltd. (General Manager)
8.	Mr. Ajoy Kumar Roy (Sr. General Manager) (43 Years)	B.Sc.	20	10.08.1996	22.04	Orient Abrasives Ltd. (General Manager)
9.	Mr. Ishwar Singh (General Manager) (58 Years)	B.A. & L.L.B.	36	26.11.1980	18.83	Orient Abrasives Ltd. (Dy. General Manager)
10.	Mr. Bhupender Kumar Tiwari (Dy. General Manager) (51 Years)	B.Sc.	21	28.04.1997	17.34	Orient Abrasives Ltd. (Asst. General Manager)

- (b)** (i) If employed throughout the financial year was in receipt of remuneration not less than Rs. 102 lacs : None
- (ii) If employed for part of the year with an average salary not less than Rs. 8.50 lacs per month : None
- (iii) If employed throughout or part of the financial year was in receipt of remuneration in excess of Managing Director and holds 2% of the equity shares of the Company : None

**On behalf of the Board of Directors**

**New Delhi  
8 August, 2017**

**Dr. Vijay Sharma**  
Chairman  
(DIN: 00880113)

## ANNEXURE F

### Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014]

#### CONSERVATION OF ENERGY

The Company has made all efforts to optimize the use of energy and to minimize its wastage. To ensure minimum consumption of energy for a given level of production, operating parameters of production have been standardized. Insulation materials are also being used to avoid energy loss.

#### Disclosure of particulars with respect to conservation of energy

A.	Power and fuel consumption	2016-17	2015-16
1.	<b>Electricity</b>		
(a)	<b>Purchased</b>		
	Unit (in lacs)	142.55	121.99
	Total amount (Rs.in lacs)	1,017.08	727.17
	Rate/unit (Rs.)	7.13	5.96
(b)	<b>Own generation</b>		
	Through diesel generator set		
	Unit (in lacs)	3.55	3.37
	Units per Ltr. of diesel oil	3.74	3.68
	Cost/unit	12.27	11.44
2.	<b>LDO/FO/C9/HSD</b>		
	Quantity (Kilo Ltr.)	1,534.49	2,035.81
	Total cost (Rs.in Lacs)	476.88	612.68
	Average/Kilo Ltr. (Rs.)	31,077	30,095
3.	<b>PET COKE</b>		
	Quantity (MT)	600.23	1,213.33
	Total Cost (Rs. in Lacs)	64.47	116.38
	Average/MT.( Rs.)	10,741	9,587
4.	<b>LPG</b>		
	Quantity (MT)	296.79	318.75
	Total cost (Rs. in Lacs)	137.19	147.78
	Average/MT.(Rs.)	46,227	40,362
B.	<b>Consumption per unit of production</b>		
	Electricity (Units)	570	544
	LDO/FO/C9/Ltr.	61	88
	PET COKE (MT)	24	53
	LPG(MT)	12	14

#### TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The Company is constantly trying to provide its customers with products that incorporate latest available technology. Though indigenously available materials and technology are preferred, efforts are being made, wherever possible, to make use of best contemporary technology.

#### FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Rs. Lacs)

Particulars	2016-17	2015-16
Earnings	10,651.77	9,011.70
Outgo	7,512.25	3,955.36

On behalf of the Board of Directors

New Delhi  
8 August, 2017

Dr. Vijay Sharma  
Chairman  
(DIN: 00880113)



## **REPORT ON CORPORATE GOVERNANCE**

### **1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE**

Corporate Governance for our Company is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the six core values of customer value, ownership mindset, respect, integrity, one team and excellence.

#### **Statement on Company's Philosophy on Code of Governance**

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organisation. We are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered at extremely competitive prices. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of Corporate Governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance Teams, Auditors and the Senior Management. Our employee satisfaction is reflected in the stability of our senior management, low attrition across various levels and substantially higher productivity.

At ORL, we believe that as we move closer towards our aspirations of being a global corporation, our Corporate Governance standards must be globally benchmarked. Therefore, we have institutionalized the right building blocks for future growth. The building blocks will ensure that we achieve our ambition in a prudent and sustainable manner. ORL not only adheres to the prescribed Corporate Governance practices as per the Listing Regulations as prescribed by SEBI, but is also committed to sound Corporate Governance principles and practices. It constantly strives to adopt emerging best practices being followed worldwide. It is our endeavor to achieve higher standards and provide oversight and guidance to the management in strategy implementation, risk management and fulfillment of stated goals and objectives.

We believe, Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Our multiple initiatives towards maintaining the highest standards of governance are detailed in the following pages.

At ORL, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation.

The Company has defined guidelines and an established framework for the meetings of the Board and Board Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board Committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews Related Party Transactions, possible risks and risk mitigation measures and financial reports from the Chief Financial Officer. Frequent and detailed interaction sets the agenda and provides the strategic road map for the Company's future growth. The Institute of Company Secretaries of India (ICSI), one of India's premier professional bodies, has issued secretarial standards on important aspects like Board Meetings, General Meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal and Board's Report. The Company substantially adheres to these standards. Our Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

## 2. BOARD OF DIRECTORS

### Composition

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board of Directors, as on 31 March, 2017, comprised 6 Directors, of which 5 were Non-Executive Directors. The Company Board includes a Non-Executive Independent Chairman and 2 Independent Directors. All Directors possess relevant qualifications and experience in general corporate management, finance, banking and other allied fields which enable them to effectively contribute to the Company in their capacity as Directors. All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment are disclosed on the Company's website. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations), across all the Companies in which he/ she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors. None of the Directors holds office in more than 20 companies and in more than 10 public companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25 (1) of the Listing Regulations.

### Category and Attendance of Directors

The names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions held by them in public limited Companies are given below:

Director	Category	No. of Board Meetings attended during 2016-17	Attendance at AGM held on 26 September 2016	No. of Directorships* (As on 31 March, 2017)			No. of committee positions in Mandatory Committees* (As on 31 March, 2017)		
				Chairman	Member	Total	Chairman	Member	Total
Dr. Vijay Sharma (Chairman) DIN- 00880113	Independent Non-Executive	4	Yes	-	-	-	-	-	-
Mr. R. S. Bajoria DIN- 00033727		4	No	-	-	-	-	-	-
Ms. Barbara Potisk Eibensteiner DIN- 06505772	Non-Independent Non-Executive	3	No	-	-	-	-	-	-
Mr. Reinhold Steiner DIN- 06674749		2	No	-	-	-	-	-	-
Mr. Erwin Jankovits DIN- 07089589		4	No	-	-	-	-	-	-
Mr. Parmod Sagar (Managing Director) DIN- 06500871	Non-Independent Executive	4	Yes	-	-	-	-	-	-

\* Excludes Directorships in Associations, Private Limited Companies, Foreign Companies, Government Bodies and Companies registered under Section 8 of the Companies Act, 2013. Only Audit Committee and Stakeholders Relationship Committee of Indian Public Companies have been considered for committee positions.

The Company held 4 Board Meetings during 2016-17 and the gap between two meetings did not exceed 120 days. The dates on which the Board Meetings were held were: 24 May, 2016; 4 August, 2016; 10 November, 2016 and 30 January, 2017.

### Board Procedure

The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda to enable the Board to arrive at appropriate decisions. The information as required under Part A of Schedule II to the Listing Regulations is made available to the Board. The Board also reviews the declaration made by the Company Secretary regarding compliance with all applicable laws, on a quarterly basis.

### **Code of Conduct**

The Company has adopted the ORL Code of Conduct for all the Directors, including the Non-Executive Directors and Employees of the Company. The Code of Conduct for the Non-Executive Directors of the Company incorporates the duties of Independent Directors as laid down in the Companies Act, 2013. The Code is posted on the Company's web site. All Board members and senior management personnel [as per Regulation 26 (3) of the Listing Regulations] have affirmed compliance with the applicable Code of Conduct. A declaration to this effect, signed by the Managing Director form part of this Report. Apart from receiving sitting fee that they are entitled to under the Companies Act, 2013 as Non-Executive Directors and reimbursement of expenses incurred in the discharge of their duties, none of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its promoters, its Directors, its senior management or its subsidiaries and associates. None of the Directors are inter-se related to each other. The Directors and Senior Management of the Company have made disclosures to the Board confirming that there are no material financial and/ or commercial transactions between them and the Company that could have potential conflict of interest with the Company at large.

### **Separate Meeting of Independent Directors**

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 24 May, 2016, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations. At the Meeting, the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company attended the Meeting of Independent Directors. Dr. Vijay Sharma chaired the Meeting.

### **Board and Director Evaluation and criteria for evaluation**

During the year, the Board has carried out an annual evaluation of its own performance, performance of the Directors, as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors. The criteria for Board Evaluation include inter-alia, degree of fulfillment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning. Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director. Criteria for evaluation of the Committees of the Board include degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings. The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in the Board's Report.

### **Familiarization Programme for Directors including Independent Directors**

The Board members, including Independent Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the board and board committee meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the directors. Site visits to the plant location are organized for the directors to enable them to understand the operations of the Company.

## **3. AUDIT COMMITTEE**

### **Terms of reference**

The Audit Committee functions according to its Charter that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, are as follows:

- Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- Review with the management the quarterly and annual financial statements and the auditor's report thereon, before submission to the Board for approval.
- Discuss with the statutory auditors, before the audit commences, about the nature and scope of audit, as well as post-audit discussion to ascertain any area of concern.
- Recommend to the Board the appointment, re-appointment and, if required, the replacement or removal of statutory auditors, remuneration and terms of appointment of auditors, fixation of audit fees and to approve payment for any other services rendered by the statutory auditors.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Review with the management, performance of the statutory and internal auditors.
- Review the adequacy of the internal audit function and the adequacy and efficacy of the internal control systems.
- Evaluate internal financial controls and risk management systems.
- Scrutinize inter-corporate loans and investments.
- Discuss any significant findings with internal auditors and follow-up thereon.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- Look into the reasons for substantial defaults in payments to shareholders and creditors.
- Approve transactions, including any subsequent modifications, of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Review the functioning of the Whistle Blower Mechanism.
- Oversee compliance with legal and regulatory requirements.
- Approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background of the candidate. and
- Generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Companies Act, 2013.

#### **Composition and Attendance during the year**

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate, with Dr. Vijay Sharma, Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of Meetings attended by the Directors during the year are given below:

<b>Name of the Member</b>	<b>Category</b>	<b>No. of Meetings attended during 2016-17</b>
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	4
Mr. R. S. Bajoria, Member	Independent, Non-Executive	4
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	4

The Audit Committee met 4 times during the year and the gap between two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings were held were: 24 May, 2016; 4 August, 2016; 10 November, 2016 and 30 January, 2017. Necessary quorum was present at the above Meetings.

During the year, the Audit Committee reviewed key audit findings covering operational, financial and compliance under Risk mitigation plans covering key risks affecting the Company were presented to the Committee.

The meetings of the Audit Committee are usually attended by the Managing Director, the Chief Financial Officer, the Head of Internal Audit, the Company Secretary and a representative of the Statutory Auditors. The Company Secretary acts as the secretary to the Committee.

The Chairman of the Audit Committee, Dr. Vijay Sharma was present at the Annual General Meeting of the Company held on 26 September, 2016.

#### 4. **NOMINATION AND REMUNERATION COMMITTEE**

##### **Terms of reference**

The terms of reference of the Nomination and Remuneration Committee are as follows:

- Recommend to the Board the setup and composition of the Board, including formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
- Periodical review of composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Support the Board in matters related to the setup, review and refresh of the Committees.
- Devise a policy on Board diversity.
- Recommend to the Board the appointment or re-appointment of Directors.
- Recommend to the Board, the appointment of Key Managerial Personnel (KMP) and executive team members.
- Carry out the evaluation of every Director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its Committees and individual Directors, including formulation of criteria for evaluation of Independent Directors and the Board.
- Oversee the performance review process for the KMP and executive team with the view that there is an appropriate cascading of goals and targets across the Company.
- Recommend the Remuneration Policy for the Directors, KMP, executive team and other employees.
- On an annual basis, recommend to the Board the remuneration payable to Directors, KMP and executive team of the Company.
- Review matters related to remuneration and benefits payable upon retirement and severance to MD/ EDs, KMP and executive team.
- Review matters related to voluntary retirement and early separation schemes for the Company.
- Assist the Board in fulfilling its corporate governance responsibilities relating to remuneration of the Board, KMP and executive team members.
- Oversee familiarization programmes for Directors.
- Review HR and People strategy and its alignment with the business strategy periodically, or when a change is made to either.
- Review the efficacy of HR practices, including those for leadership development, rewards and recognition, talent management and succession planning.

##### **Composition and Attendance during the year**

The composition of the Committee and the details of Meetings attended by the Directors during the year are given below:

<b>Name of the Member</b>	<b>Category</b>	<b>No. of Meetings attended during 2016-17</b>
Mr. R. S. Bajoria, Chairman	Independent, Non-Executive	2
Dr. Vijay Sharma, Member	Independent, Non-Executive	2
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	2

The Committee met two times during the year, on 10 November, 2016 and 30 January, 2017.

The Chairman of the Nomination and Remuneration Committee, Mr. R. S. Bajoria was present at the Annual General Meeting of the Company held on 26 September, 2016 through his authorised representative.

**Details of remuneration paid**
**▪ Remuneration Paid to the Managing Director**
**(in Rs. Lacs)**

Particulars	Mr. Parmod Sagar- Managing Director
Salary	86.19
Perquisites and Allowances	114.15
Retirement Benefits	10.35
<b>Total</b>	<b>210.69</b>

The Company pays remuneration by way of Salary, Benefits, Perquisites and Allowances (fixed component) to Mr. Parmod Sagar, Managing Director.

**▪ Remuneration Paid to the Non-Executive Directors**

The Company pays sitting fee and also reimburses the out-of-pocket expenses incurred for attending the meetings of the Board/Committee only to Non-Executive Independent Directors, Non-Executive Non-Independent Directors of the Company decided to forgo their sitting fees. The Board in its meeting held on 10 November, 2017 on recommendation of Nomination and Remuneration Committee increased the sitting fee for attending the board meeting from existing Rs. 50,000 to Rs. 75,000 every meeting. The Company paid sitting fee of Rs. 25,000/- per meeting for attending the meetings of the Audit Committee and no sitting fee paid for attending other committee meeting.

The sitting fees paid during the financial year 2016-17 are as follows:

**(in Rs. Lacs)**

Name of Director	Sitting Fees
Dr. Vijay Sharma	3.25
Mr. R. S. Bajoria	3.25

Apart from sitting fees as mentioned above, Non- Executive Directors, including Independent Directors are not entitled to any remuneration from the Company.

None of the Directors hold any shares in the Company except Mr. Parmod Sagar, Managing Director who holds 13,698 equity shares of the Company as on 31 March, 2017.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**
**Terms of reference**

The terms of reference of the Stakeholders Relationship Committee are as follows:

- Review statutory compliance relating to all security holders.
- Consider and resolve the grievances of security holders of the Company, including complaints related to transfer of securities, non-receipt of annual report/ declared dividends/ notices/ balance sheet.
- Oversee compliances in respect of dividend payments and transfer of unclaimed amounts to the Investor Education and Protection Fund.
- Oversee and review all matters related to the transfer of securities of the Company.
- Approve issue of duplicate certificates of the Company.
- Review movements in shareholding and ownership structures of the Company.
- Ensure setting of proper controls and oversee performance of the Registrar and Share Transfer Agent.
- Recommend measures for overall improvement of the quality of investor services.
- Set forth policies relating to and oversee implementation of the Code of Conduct for Prevention of Insider Trading.
- Review the concerns received under the ORL Code of Conduct.

### Composition and Attendance during the year

The Stakeholders Relationship Committee met once during the year, on 30 January, 2017. The composition of the Stakeholders Relationship Committee and the details of the meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2016-17
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	1
Mr. R. S. Bajoria, Member	Independent, Non-Executive	1
Mr. Parmod Sagar, Member	Non- Independent, Executive	1

### Name, designation and address of the Compliance Officer

Mr. Sanjay Kumar  
Company Secretary  
SP-148 A+B, RIICO Industrial Area,  
Bhiwadi, Dist-Alwar, Rajasthan-301019  
Tel. No.: +91 1493 222 266  
Fax No.: +91 1493 222 267  
Email : cssanjay@orlindia.com

Shareholders may also correspond with the Company on the email address: investor@orlindia.com. A total of 3 cases were reported as complaints. All complaints were resolved and no complaint was pending on 31 March, 2017. No request for dematerialization of share was pending as on 31 March, 2017.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

### Terms of reference

The Company has constituted a Corporate Social Responsibility (CSR) Committee as required under Section 135 of the Companies Act, 2013. The terms of reference of the Committee are as follows:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount to be spent on the CSR activities.
- Monitor the Company's CSR Policy periodically.
- Oversee the Company's conduct with regard to its Corporate and social obligations and its reputation as a responsible corporate citizen.
- Oversee activities impacting the quality of life of various stakeholders.
- Attend to such other matters and functions as may be prescribed from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company. The Annual Report on CSR activities for the year 2016-17 forms a part of the Board's Report.

### Composition and Attendance during the year

The composition of the CSR Committee and the details of the meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2016-17
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	4
Mr. R. S. Bajoria, Member	Independent, Non-Executive	4
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	4
Mr. Parmod Sagar, Member	Non- Independent, Executive	4

The Committee met four times during the year on: 24 May, 2016; 4 August, 2016; 10 November, 2016 and 30 January, 2017.

## 7. RISK MANAGEMENT COMMITTEE

### Terms of reference

The Company has constituted a Risk Management Committee as required under the Companies Act, 2013 and Listing Regulations. The terms of reference of the Committee are as follows:

- Review the risk identification and management process developed by management to confirm it is consistent with the Company's strategy and business plan;
- Review management's assessment of risk at least annually and provide an update to the board in this regard;
- Inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk;
- Oversee and monitor management's documentation of the material risks that the Company faces and update as events change and risks shift;
- Assess the steps management has implemented to manage and mitigate identifiable risk, including the use of hedging and insurance;
- Oversee and monitor management's review, at least annually, and more frequently if necessary, of the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks);
- Constitute sub-committee (team of the Company personals) to identify the risk to take action and report the same to the committee;
- Review the following with management, with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
  - Management's tolerance for financial risks;
  - Management's assessment of significant financial risks facing the Company;
  - The Company's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks and
  - To review with the Company's counsel, legal matters which could have a material impact on the Company's public disclosure, including financial statements.

The Board has adopted the Risk Management Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company.

### Composition and Attendance during the year

The composition of the Risk Management Committee and the details of the meetings attended by the Directors during the year are given below:

Name of the Member	Category	No. of Meetings attended during 2016-17
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	4
Mr. R. S. Bajoria, Member	Independent, Non-Executive	4
Mr. Parmod Sagar, Member	Non- Independent, Executive	4

The Committee met four times during the year, on: 24 May, 2016; 4 August, 2016; 10 November, 2016 and 30 January, 2017.



## 8. GENERAL BODY MEETINGS

Location, date and time of Annual General Meetings held during the last 3 years and special resolutions passed:

Date, Date and Time	Venue	Special Resolutions
Friday, 26 September, 2014 at 11.30 A.M	Sun Village Inn, A-14, Ring Road, Lajpat Nagar-IV, New Delhi-110024	None
Thursday, 24 September, 2015 at 11.30 A.M.	"Modi Hall", PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016	
Monday, 26 September, 2016 at 11.30 A.M.		

All resolutions moved at the last Annual General Meeting were passed by the requisite majority of shareholders. No Extra-Ordinary General Meeting of the shareholders was held during the year. During the year under review, no resolution was put through by Postal Ballot.

## 9. DISCLOSURES

### During the year 2016-17

- A. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The Company has formulated a Related Party Transactions Policy and the same is displayed on the Company's website at the following web link:  
<http://www.orientrefractories.com/pdfs/Policy%20For%20Related%20Party%20Transaction.pdf>
- B. There were no materially significant related party transactions, i.e. transactions of the Company of material nature with its promoters, their subsidiaries, the Directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large. Declarations have been received from the senior management personnel to this effect.
- C. The Company does not have subsidiary company so there is no policy on material subsidiaries.
- D. The Company has complied with the requirements of the Stock Exchanges/ SEBI and statutory authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these authorities.
- E. The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to Managing Director/ CFO certification for the Financial Year ended 31 March, 2017.
- F. The Company has a well-defined risk management framework in place. The Company periodically places before the Risk Management Committee, Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
- G. The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.
- H. The Company has prepared the Financial Statements in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
- I. The Company has complied with all the mandatory and non-mandatory requirements of the Listing Regulations relating to Corporate Governance and also complied with Clauses (b) to (i) of Regulation 46 (2) relating to the

dissemination of information on the website of the Company. The status of compliance with the non-mandatory requirements listed in Part E of Schedule II of the Listing Regulations, is as under:

- The financial statements of the Company are with unmodified audit opinion.
- The Chairman of the Board is a Non-Executive Independent Director and his position is separate from that of the Managing Director.
- The Internal Auditor reports to the Audit Committee.

## 10. MEANS OF COMMUNICATION

- A. The quarterly and the half yearly results, published in the format prescribed by the Listing Regulations read with the Circular issued there under, are approved and taken on record by the Board of Directors of the Company within 45 days of the close of the relevant quarter. The approved results are forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed viz., NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Online Portal of BSE Ltd. (BSE). The results are also published within 48 hours in The Business Standard (in English and in Hindi) and also displayed on the Company's website, [www.orientrefractories.com](http://www.orientrefractories.com).
- B. The Company publishes the audited annual results within the stipulated period of sixty days from the close of the financial year as required by the Listing Regulations. The annual audited results are also uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively. The results are also published within 48 hours in The Economics Times (in English and in Hindi) and also displayed on the Company's website.
- C. Official news releases is uploaded on NEAPS and BSE Online Portal of NSE and BSE respectively and posted on the Company's website.
- D. Comprehensive information about the Company, its business and operations and press releases can be viewed on the Company's website. The "Investor Relations" section on the website gives information relating to financial results, annual reports, shareholding pattern, and presentations made to analysts and at Annual General Meetings. Information about unclaimed dividends is also available in this section.
- E. The quarterly Shareholding Pattern and Corporate Governance Report of the Company are filed with NSE through NEAPS and with BSE through BSE Online Portal. They are also displayed on the Company's website under the "Investor Relations" section.
- F. Material events or information, as detailed in Regulation 30 of the Listing Regulations, are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through BSE Online Portal. They are also displayed on the Company's website under the "Investor Relations" section.
- G. Management Discussion and Analysis Report forms a part of the Annual Report.

## 11. GENERAL SHAREHOLDER INFORMATION

The Company is registered with the Registrar of Companies, Delhi. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28113DL2010PLC210819.

### Annual General Meeting Date, Time and Venue:

Monday, 25 September, 2017 at 11.30 A.M. at "Modi Hall", PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016.

As required under Regulation 36 (3) of the Listing Regulations, particulars of the Directors seeking re-appointment/ appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting attached to this report.

<b>Financial Calendar</b>	: April to March
<b>Date of book closure</b>	: Tuesday, 12 September, 2017 to Tuesday, 19 September, 2017 (both days inclusive)

**Dividend payment date** : 30 September, 2017

**Listing on Stock Exchanges** : The Company's Equity Shares are listed on the following Stock Exchanges:

**BSE Ltd.**

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai 400 001

(Stock Code-534076)

**The National Stock Exchange of India Ltd.**

Exchange Plaza, 5th Floor

Plot No. C/1 G Block, Bandra-Kurla Complex

Bandra (E) Mumbai 400 051

(Stock Code-ORIENTREF)

The Company has paid the listing fees to these Stock Exchanges for the year 2016-17.

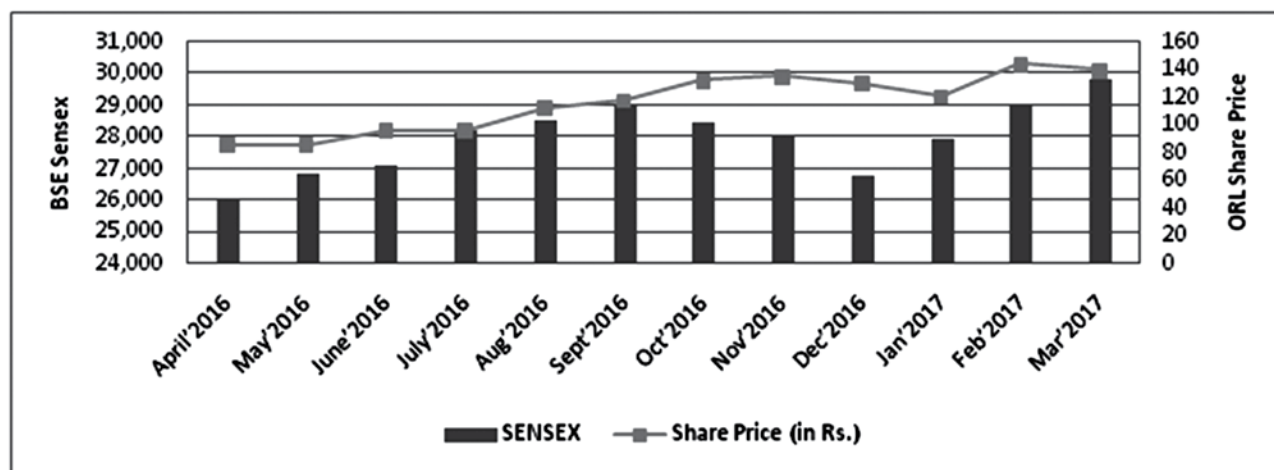
Demat International Security Identification Number (ISIN) in NSDL and CDSL for Equity Shares : INE743M01012

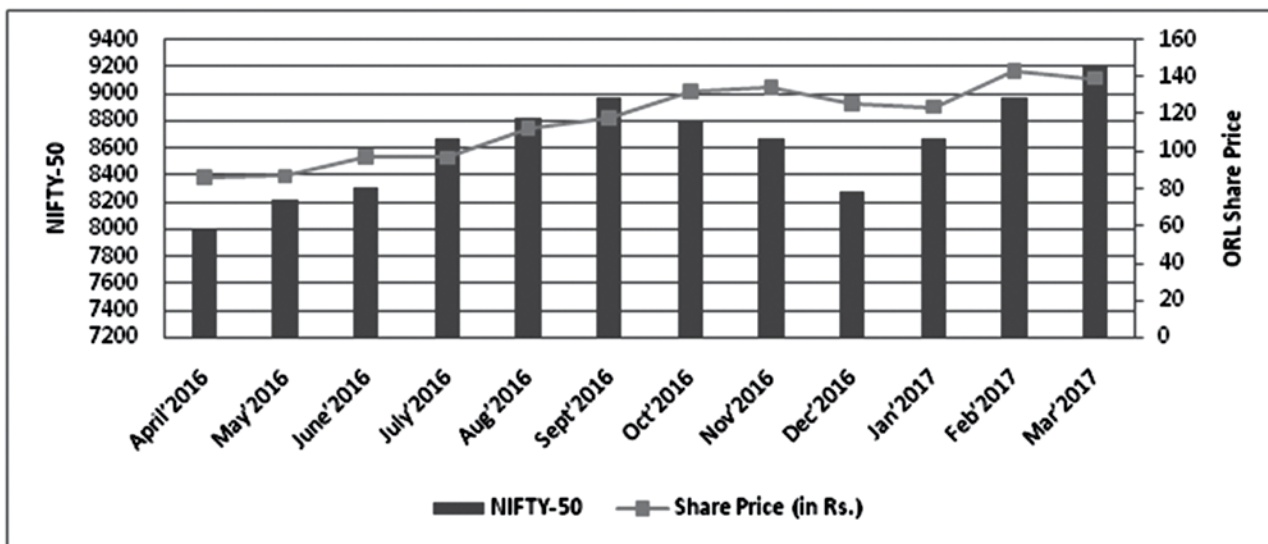
**Market Information:**

**Market price data: High/ low, Number and Value of shares traded during each month in the last financial year:**

Month	BSE Ltd.					The National Stock Exchange of India Ltd.				
	High Price (Rs.)	Low Price (Rs.)	No. of Shares Traded	No. of Shares Traded	Total Turnover (Rs. in Lacs)	High Price (Rs.)	Low Price (Rs.)	No. of Shares Traded	No. of Shares Traded	Total Turnover (Rs. in Lacs)
April, 2016	85.90	76.60	108,391	527	88.51	86.00	75.40	165,472	1,320	134.17
May, 2016	85.90	79.60	67,872	500	56.11	86.80	79.60	310,425	2,128	257.84
June, 2016	96.50	83.10	1,195,979	2,209	1,040.93	96.95	82.05	1,897,973	8,064	1,665.49
July, 2016	96.50	87.25	238,254	2,393	219.61	96.50	87.25	802,058	7,230	739.65
August, 2016	112.35	89.05	546,092	6,636	556.52	112.50	89.00	1,620,080	19,574	1,649.20
September, 2016	118.00	101.00	453,049	7,376	507.03	117.90	100.85	1,674,877	18,756	1,885.80
October, 2016	131.90	110.25	295,750	4,097	353.89	132.00	110.25	1,228,171	14,819	1,458.14
November, 2016	134.90	105.00	338,226	7,442	417.59	134.70	106.55	1,640,989	26,901	2,021.24
December, 2016	130.00	110.35	144,872	2,995	171.86	125.75	110.05	650,767	12,083	770.55
January, 2017	121.00	112.85	92,983	2,417	109.21	124.00	113.10	1,441,098	19,897	1,683.61
February, 2017	144.00	113.05	496,671	13,419	643.85	143.40	110.95	2,402,836	46,679	3,152.42
March, 2017	139.00	127.00	290,016	5,853	389.47	139.50	128.30	1,797,747	28,813	2,428.48

**Performance of ORL Share Price in comparison with BSE Sensex**



**Performance of ORL Share Price in comparison with Nifty-50**

**Share Registrars and Transfer Agents:**

Skyline Financial Services Private Limited  
D-153 A, 1st Floor,  
Okhla Industrial Area, Phase-I,  
New Delhi-110 020  
Telephone : +91-11-26812682, 83, 30857575 (10 Lines)  
Fax : +91-11-30857562  
E-mail : admin@skylinerta.com, grievances@skylinerta.com  
Website : www.skylinerta.com

**Share Transfer System:**

Documents for transfer of shares in physical form can be lodged with Skyline Financial Services Private Limited at its registered address. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

**Secretarial Audit**

- M/s. Naresh Verma & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2016-17. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act, 2013 and the Rules made there under, SEBI (LODR) Regulations applicable to the Company. The Secretarial Audit Report forms part of the Board's Report.
- Pursuant to Regulation 40 (9) of the Listing Regulations, certificates have been issued on a half-yearly basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by the Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

**CEO and CFO certification**

As required by Regulation 17(8) read with Schedule II Part B of the Listing Regulations, the CEO and CFO have given appropriate certifications to the Board of Directors.

**Distribution of shareholding as on 31 March, 2017**

Shard holding of Nominal Value: Re.1/-

S. No.	Range	Holding	Amount (Rs.)	% to Capital	Number of Shareholders	% to total Shareholder
1.	1 to 5,000	8,769,181	8,769,181.00	7.30	13,318	95.33
2.	5001 to 10,000	2,473,544	2,473,544.00	2.06	330	2.36
3.	10001 to 20,000	2,659,406	2,659,406.00	2.21	181	1.30
4.	20001 to 30,000	1,195,049	1,195,049.00	0.99	48	0.34
5.	30001 to 40,000	905,703	905,703.00	0.75	26	0.19
6.	40001 to 50,000	787,192	787,192.00	0.66	17	0.12
7.	50001 to 100,000	1,489,429	1,489,429.00	1.24	21	0.15
8.	Greater than 100,000	101,859,696	101,859,696.00	84.87	30	0.21
<b>Total</b>		<b>120,139,200</b>	<b>120,139,200</b>	<b>100.00</b>	<b>13,971</b>	<b>100.00</b>

**Shareholding pattern as on 31 March, 2017**

S. No.	Category of the Shareholders	No. of Shareholders	Total Holding	% to Capital
1.	<b>Promoter and Promoter Group</b>			
	Foreign-[Dutch US Holding B.V.]	1	83,637,771	69.62
2.	<b>Institutions</b>			
(a)	Mutual Fund	6	5,882,524	4.90
(b)	FII/Foreign Portfolio Investors	18	6,816,023	5.67
(c)	Financial Institutions/Banks	5	50,413	0.04
(d)	FII-Other	1	36,929	0.03
3.	<b>Non-Institutions</b>			
(a)	Individual Shareholders holding Nominal Share Capital Up to Rs. 2 lacs	12,904	16,698,013	13.90
(b)	Individual Shareholders holding Nominal Share Capital above Rs. 2 lacs	2	476,527	0.40
(c)	NBFC registered with RBI	3	29,550	0.02
(d)	Bodies Corporate* *(including Orient Refractories Limited - Unclaimed Suspense Accounts holding of 3,068,770 equity shares)	274	5,556,961	4.63
(e)	Non Resident Indians	411	455,252	
(f)	Resident Indian HUF	329	467,539	0.38
(g)	Trusts	1	10,000	0.39
(h)	Clearing Members / House	16	21,698	0.01
<b>Total</b>		<b>13,971</b>	<b>120,139,200</b>	<b>100.00</b>

**Corporate benefits to investors' dividend declared for the last 5 years**

Financial year	Type of dividend	Dividend per Share (in Rs.)
2011-12	Interim Dividend	1.00
2012-13	Final Dividend	1.00
2013-14	Final Dividend	1.25
2014-15	Final Dividend	1.40
2015-16	Final Dividend	1.45

Note: Final Dividend of Rs. 2.50 per share, recommended by directors on 30 May 2017, is subject to approval of shareholders at the ensuing AGM.

### Unclaimed Dividend

Section 124 of the Companies Act, 2013 mandate that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned as follows, if unclaimed within a period of seven years, will be transferred to the IEPF:

Financial Year	Date of declaration	Due date for transfer	Amount* (in Rs.)
2011-12	10 May, 2012	16 June, 2019	3,674,408.00
2012-13	26 September, 2013	3 October, 2020	3,679,401.00
2013-14	26 September, 2014	3 October, 2021	4,526,010.00
2014-15	24 September, 2015	1 October, 2022	5,137,115.00
2015-16	26 September, 2016	3 October, 2023	5,105,266.00

\*Amount unclaimed as on 31 March, 2017

### Unclaimed Suspense Demat Account

In accordance with Regulation 39 of the Listing Regulations, an Unclaimed Suspense Demat Account has been opened with Stock Holding Corporation of India Limited and all equity shares in physical form lying unclaimed pursuant to issued shares on demerger of the Company have been dematerialized and credited to said Demat account. Whenever any request for said unclaimed shares is received, equity shares either in electronic or physical forms is issued to the claimant concerned after debiting said Demat account.

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares credited to Unclaimed Suspense Demat Account as on 1 April 2016	1,490	3,006,160
Aggregate number of shareholders and the outstanding shares credited to Unclaimed Suspense Demat Account added on 1 April 2016	120	139,610
Number of shareholders who approached issuer for transfer of shares from suspense account during the financial year 2016-17	10	77,000
Number of shareholders to whom shares were transferred from suspense account during the financial year 2016-17	10	77,000
Aggregate number of shareholders and the outstanding shares in the suspense account lying on 31 March, 2017	1,600	3,068,770

The voting rights on the shares in the suspense accounts as on 31 March, 2017 shall remain frozen till the rightful owners of such shares claim the shares.

### Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories, viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Percentage of shares held in physical and dematerialized form as on 31 March, 2017:

Physical form	:	1.72%
Electronic form with NSDL	:	95.02%
Electronic form with CDSL	:	3.26%

The Company's shares are regularly traded on BSE Ltd. and the National Stock Exchange of India Ltd. in the electronic form.

### Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company does not have any outstanding ADRs/ GDRs/ Warrants or any convertible instruments.

**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

During the year, the Company has managed Commodity Price Risk or Foreign Exchange Risk and Hedged to the extent considered necessary. Net open exposures are reviewed regularly and covered through forward contracts in Foreign Currency. The details of foreign currency exposure are disclosed in Note No. 26.4 to the Financial Statements.

**Plant location:**

SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019

**Investor correspondence address:**

- (a) Orient Refractories Limited, Secretarial Department, 804-A, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019
- (b) Orient Refractories Limited, Secretarial Department, SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019 or
- (c) Skyline Financial Services Private Limited, Unit: Orient Refractories Limited, D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020

**On behalf of the Board of Directors**

**New Delhi  
8 August, 2017**

**Sanjay Kumar**  
Company Secretary  
(ACS:17021)

**Parmod Sagar**  
Managing Director  
(DIN: 06500871)

## **INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

We, Naresh Verma & Associates, Company Secretaries, have examined the compliance of conditions of Corporate Governance by Orient Refractories Limited, for the year ended on 31 March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

### **Managements' Responsibility**

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

### **Auditors' Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### **Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27, and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31 March, 2017.

### **Other matters and Restriction on Use**

This report 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.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **Naresh Verma & Associates**  
Company Secretaries

**Naresh Verma**  
CP:4424, FCS: 5403

**Place : New Delhi**  
**Date : 8 August, 2017**



## **INDEPENDENT AUDITOR'S REPORT**

**TO**  
**THE MEMBERS OF**  
**ORIENT REFRACTORIES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **ORIENT REFRACTORIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

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

### **Opinion**

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 26.1 (i) to the financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 26.2(iii) to the financial statements.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 29 to the financial statements.
  - iv. The Company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management - Refer Note 28 to the financial statements.
- 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. 015125N)

**Alka Chadha**  
Partner  
(Membership No. 93474)

**Place: New Delhi**  
**Date: 30 May, 2017**

## **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 **ORIENT REFRACTORIES LIMITED** (“the Company”) as of 31 March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 misstatement 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 31 March, 2017, based on "the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Alka Chadha**  
Partner  
(Membership No. 93474)

**Place: New Delhi**  
**Date: 30 May, 2017**

## ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

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

- (i) In respect of its fixed assets:
- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and the records examined by us and based on the examination of the registered lease deed/lease agreements/transfer deed provided to us, we report that in respect of land that has been taken on lease and disclosed as fixed assets in the financial statements is in the name of the Company, where the Company is the lessee in the agreement. The Company does not have any immovable properties of freehold land and acquired building as at the balance sheet date.
- (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 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) The Company has not granted any loans, made investments or provided guarantees and hence reporting under clause (iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. The Company does not have any unclaimed deposits and accordingly the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. 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 generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities.
  - b. There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2017 for a period of more than six months from the date they became payable.
  - c. Details of dues of Income-tax, Service Tax which have not been deposited as on 31 March, 2017 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in Lacs)
Income Tax Act, 1961	Disallowance of expenses/depreciation	Income Tax Appellate Tribunal	Assessment Year 2012-13	17.59*
Income Tax Act, 1961	Disallowance of expenses/depreciation	Income Tax Appellate Tribunal	Assessment Year 2013-14	22.39*
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	December, 2012 to January, 2015	326.04^
<b>Total</b>				<b>366.02</b>

\* Net of Rs. Nil paid under protest

^ Net of Rs. 11.07 lacs paid under protest

There are no dues in respect of Sales Tax, Customs Duty, Excise Duty and Value Added Tax as on 31 March, 2017 on account of disputes.

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order 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) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- (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 directors of its holding company or persons connected with them 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. 015125N)

**Alka Chadha**  
Partner  
(Membership No. 93474)

**Place: New Delhi**  
**Date: 30 May, 2017**

## BALANCE SHEET

AS AT 31 MARCH 2017

(Amount in Rs. Lacs)

Particulars	Notes	As at 31 March 2017	As at 31 March 2016
<b>A. Equity and Liabilities</b>			
1. <b>Shareholders' fund</b>			
a) Share capital	3	1,201.39	1,201.39
b) Reserves and surplus	4	26,125.87	19,264.06
		27,327.26	20,465.45
2. <b>Non-current liabilities</b>			
a) Other long term liabilities	5	58.60	69.66
b) Long-term provisions	6	326.93	247.10
		385.53	316.76
3. <b>Current liabilities</b>			
a) Trade payables	7		
i. Total outstanding dues of micro enterprises and small enterprises		220.70	325.13
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		7,537.35	6,863.29
		7,758.05	7,188.42
b) Other current liabilities	8	512.32	461.56
c) Short-term provisions	9	38.59	2,167.60
		8,308.96	9,817.58
<b>Total</b>		<b>36,021.75</b>	<b>30,599.79</b>
<b>B. Assets</b>			
1. <b>Non-current assets</b>			
a) Fixed assets			
(i) Tangible assets	10	4,047.55	3,777.96
(ii) Intangible assets	10	36.87	50.92
(iii) Capital work-in-progress		466.60	156.54
		4,551.02	3,985.42
b) Non-current investments	11	0.30	0.57
c) Deferred tax asset (net)	27.7	37.43	66.22
d) Long-term loans and advances	12	210.74	104.58
e) Other non current assets	13	16.27	19.16
		4,815.76	4,175.95
2. <b>Current Assets</b>			
a) Inventories	14	8,138.12	6,422.36
b) Trade receivables	15	11,398.70	11,850.17
c) Cash and cash equivalents	16	11,084.18	7,647.24
d) Short-term loans and advances	17	200.55	209.22
e) Other current assets	18	384.44	294.85
		31,205.99	26,423.84
<b>Total</b>		<b>36,021.75</b>	<b>30,599.79</b>

See accompanying notes forming part of the financial statements.

1 to 31

In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Alka Chadha**  
Partner

Place : New Delhi  
Date : 30 May, 2017

For and on behalf of the Board of Directors of  
**ORIENT REFRACTORIES LIMITED**

**Dr. Vijay Sharma**  
Chairman  
(DIN - 00880113)

**Sanjeev Bhardwaj**  
Chief Financial Officer

**Sanjay Kumar**  
Company Secretary  
(ACS-17021)

Place : New Delhi  
Date : 30 May, 2017

**Parmod Sagar**  
Managing Director  
(DIN - 06500871)

**Manoj Gupta**  
Asst. Vice President (F&A)

## STATEMENT OF PROFIT AND LOSS

AS AT 31 MARCH 2017

(Amount in Rs. Lacs)

Particulars	Notes	Year ended 31 March 2017	Year ended 31 March 2016
<b>Income</b>			
1. Revenue from operations (gross)	19	55,620.32	49,454.29
Less: Excise duty		3,681.55	3,565.96
Revenue from operations (net)		51,938.77	45,888.33
2. Other income	20	826.28	537.89
<b>3. Total Revenue (1+2)</b>		<b>52,765.05</b>	<b>46,426.22</b>
<b>4. Expenses</b>			
a) Cost of raw materials and components consumed	21.a	20,378.07	18,157.69
b) Purchase of stock-in-trade (traded goods)	21.b	10,008.70	7,084.45
c) Change in inventories of finished goods, work in-progress and stock-in-trade	22	(1,324.36)	147.60
d) Employee benefits expense	23	4,297.20	3,936.97
e) Finance costs	24	0.30	0.20
f) Depreciation and amortisation expense	10	636.66	590.62
g) Other expenses	25	8,281.32	8,043.05
<b>Total expenses</b>		<b>42,277.89</b>	<b>37,960.58</b>
<b>5. Profit before tax (3-4)</b>		<b>10,487.16</b>	<b>8,465.64</b>
<b>6. Tax expense /(benefit):</b>			
a) Current tax expense		3,583.56	2,897.98
b) Deferred tax charge/ (credit)	27.7	28.79	13.27
c) Short / (Excess) provision for tax relating to prior years		13.00	(27.45)
Net tax expense		<b>3,625.35</b>	<b>2,883.80</b>
<b>Profit for the year</b>		<b>6,861.81</b>	<b>5,581.84</b>
<b>Earnings per share (of Re. 1 each):</b>	27.6		
a) Basic (in Rs.)		5.71	4.65
b) Diluted (in Rs.)		5.71	4.65

See accompanying notes forming part of the financial statements.

1 to 31

In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Alka Chadha**  
Partner

Place : New Delhi  
Date : 30 May, 2017

For and on behalf of the Board of Directors of  
**ORIENT REFRACTORIES LIMITED**

**Dr. Vijay Sharma**  
Chairman  
(DIN - 00880113)

**Sanjeev Bhardwaj**  
Chief Financial Officer

**Sanjay Kumar**  
Company Secretary  
(ACS-17021)

Place : New Delhi  
Date : 30 May, 2017

**Parmod Sagar**  
Managing Director  
(DIN - 06500871)

**Manoj Gupta**  
Asst. Vice President (F&A)



## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2017

(Amount in Rs. Lacs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
<b>A. Cash flow from operating activities</b>		
Profit before tax	<b>10,487.16</b>	<b>8,465.64</b>
Adjustments for:		
Depreciation and amortisation expense	636.66	590.62
Interest costs	0.30	0.20
Interest income	(180.62)	(184.45)
Provision for doubtful trade receivables	-	54.74
Bad trade and other receivables, loans and advances written off	119.67	94.54
Liabilities/ provisions no longer required written back	(103.21)	(2.79)
Dividend income from current investments	(124.75)	(112.00)
Net gain on sale of current investments	(283.64)	(69.67)
Loss on fixed assets sold/ scrapped/ written off	2.78	48.02
Net unrealised foreign exchange gain	(13.01)	(20.11)
<b>Operating profit before working capital changes</b>	<b>10,541.34</b>	<b>8,864.74</b>
Changes in working capital:		
Decrease/ (Increase) in inventories	(1,715.76)	733.57
Decrease/ (Increase) in trade receivables	386.95	(717.92)
Decrease/ (Increase) in short term loans and advances	14.44	(6.58)
Decrease/ (Increase) in long term loans and advances	(22.49)	(12.41)
Decrease /(Increase) in other current assets	(78.52)	(187.54)
Decrease /(Increase) in other non-current assets	2.76	(2.51)
Increase /(Decrease) in trade payables	616.15	2,054.23
Increase /(Decrease) in other current Liabilities	(61.65)	82.93
Increase /(Decrease) in short provisions	5.00	(20.67)
Increase /(Decrease) in other long term liabilities	(11.06)	(23.66)
Increase /(Decrease) in long-term provisions	79.83	24.18
Cash generated from operations	9,756.99	10,788.36
Net income tax paid	(3,712.03)	(2,766.21)
<b>Net cash flow from operating activities (A)</b>	<b>6,044.96</b>	<b>8,022.15</b>
<b>B. Cash flows from investing activities</b>		
Proceeds from redemption of national savings certificates	0.27	-
Current Investment in mutual funds	(13,500.00)	(8,990.00)
Proceeds from redemption of mutual funds	13,783.64	9,059.67
Dividend income from current investments	124.75	112.00
Bank balances not considered as cash and cash equivalents		
- Placed	(102.57)	(205.69)
- Matured	87.98	360.51
- Placed in earmarked accounts ( unpaid dividend)	(47.90)	(50.98)
Capital expenditure on fixed assets,including capital advances	(1,182.73)	(912.57)
Proceeds from sale of fixed assets	37.13	30.05
Interest received	178.35	178.04
<b>Net cash flow used in investing activities (B)</b>	<b>(621.08)</b>	<b>(418.97)</b>

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
<b>C. Cash flows from financing activities</b>		
Interest paid	(0.79)	-
Dividend paid on equity shares	(1,694.11)	(1,630.97)
Tax on dividend	(354.63)	(342.44)
Proceeds from bill discounted	-	(524.20)
<b>Net cash flow used in financing activities (C)</b>	<b>(2,049.53)</b>	<b>(2,497.61)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>3,374.35</b>	<b>5,105.57</b>
Cash and cash equivalents at the beginning of the year	7,268.23	2,162.66
<b>Cash and cash equivalents at the end of the year (refer note 16A)</b>	<b>10,642.58</b>	<b>7,268.23</b>

See accompanying notes forming part of the financial statements.

1 to 31

In terms of our report attached.

For **Deloitte Haskins & Sells**  
Chartered Accountants

**Alka Chadha**  
Partner

**Place : New Delhi**  
**Date : 30 May, 2017**

For and on behalf of the Board of Directors of  
**ORIENT REFRACTORIES LIMITED**

**Dr. Vijay Sharma**  
Chairman  
(DIN - 00880113)

**Sanjeev Bhardwaj**  
Chief Financial Officer

**Sanjay Kumar**  
Company Secretary  
(ACS-17021)

**Place : New Delhi**  
**Date : 30 May, 2017**

**Parmod Sagar**  
Managing Director  
(DIN - 06500871)

**Manoj Gupta**  
Asst. Vice President (F&A)

## **1. Corporate Information**

**ORIENT REFRACTORIES LIMITED** ('the Company'), incorporated on 26 November, 2010 is primarily engaged in manufacturing, production and distribution of refractories, monolithics and ceramic paper and has a manufacturing facility in Bhiwadi (Rajasthan).

## **2. Summary of significant accounting policies**

### **2.1 Basis of accounting and preparation of financial statement**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act 2013 ("the 2013 Act") as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

### **2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

### **2.3 Inventories**

Inventories are valued at the lower of cost (on first in first out basis in respect of trading goods and on weighted average basis in respect of raw materials, work in-progress and finished goods) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

### **2.4 Cash and cash equivalents (for purpose of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **2.5 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **2.6 Depreciation and amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacement, etc.:

- i. Vehicles given to employees under the vehicle scheme - Over the period of 5 years for four wheelers and 6 years for two wheelers.
- ii. Leasehold improvements are amortised over the unexpired period of lease or estimated useful life, whichever is lower
- iii. Leasehold land is amortised over the duration of the lease i.e. 99 years.

Intangible assets are amortised over their estimated useful life on straight line method.

- Software is amortised over the estimated useful life of 5 years.

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

## **2.7 Revenue recognition**

### **i. Sale of goods**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. In case of export sales, event of transferring the significant risks and rewards of ownership of goods is decided on Inco-terms 2010. Sales include excise duty but exclude sales tax and value added tax.

### **ii. Income from services**

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

### **iii. Export Incentive**

Export incentive under Merchandise Exports from India Scheme (MEIS) and duty drawback are accrued when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

### **iv. Other income**

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

## **2.8 Fixed Assets (Tangible/Intangible)**

Fixed assets are carried at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

### **Capital work-in-progress:**

Projects under which assets are not ready for their intended use and other capital work in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

## **2.9 Foreign currency transactions and translations**

### **Initial recognition**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

### **Measurement of foreign currency monetary items at the Balance Sheet date**

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

### **Treatment of exchange differences**

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

### **Accounting of forward contracts**

Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

### **2.10 Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

### **2.11 Employee benefits**

Employee benefits include provident fund, employees' state insurance scheme, gratuity fund, national pension scheme and compensated absences.

#### **Defined contribution plans**

The Company's contribution to provident fund, national pension scheme and employees' state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### **Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

#### **Short-term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur

#### **Long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled

Payments made under voluntary retirement scheme are charged to the Statement of Profit and Loss account in the year of occurrence.

## 2.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction /development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

## 2.13 Segment reporting

### i. Business Segments

The Company identifies primary segments based on the dominant source, nature of risks and turns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

### ii. Geographic Segments:

Secondary segmental reporting is performed on the basis of the geographical location of customers. i.e. within India and Outside India.

## 2.14 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

## 2.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

## 2.16 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences to the extent

that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

#### **2.17 Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

#### **2.18 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are not recognised in the financial statements.

#### **2.19 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

#### **2.20 Service tax input credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

#### **2.21 Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Particulars	As at 31 March 2017		As at 31 March 2016	
	No. of shares	Rs. in Lacs	No. of shares	Rs. in Lacs
<b>3. Share Capital</b>				
<b>Authorised</b>				
Equity shares of Re. 1 each with voting rights	120,500,000	1,205.00	120,500,000	1,205.00
<b>Issued, subscribed and fully paid up share capital</b>				
Equity shares of Re. 1 each with voting rights	120,139,200	1,201.39	120,139,200	1,201.39
<b>a. Reconciliation of the equity shares outstanding at the beginning and at the end of reporting period</b>				
<b>Particulars</b>	<b>Opening Balance</b>	<b>Fresh Issue</b>	<b>Closing balance</b>	
Year ended 31 March, 2017				
- Number of shares	120,139,200	-	120,139,200	
- Amount in Rs. Lacs	1,201.39	-	1,201.39	
Year ended 31 March, 2016				
- Number of shares	120,139,200	-	120,139,200	
- Amount in Rs. Lacs	1,201.39	-	1,201.39	
<b>b. Terms/rights attached to equity shares</b>				
The Company has only one class of equity shares having a par value of Re. 1 per share. The holder of each fully paid equity share is entitled to one vote. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				
<b>c. Aggregate number of shares allotted as fully paid up pursuant to contract without payment being received in cash for the period of 5 years immediately preceding the balance sheet date:</b>				
<b>Particulars</b>	<b>As at 31 March 2017</b>		<b>As at 31 March 2016</b>	
	<b>No. of equity shares</b>		<b>No. of equity shares</b>	
Equity shares allotted as fully paid-up pursuant to demerger scheme for consideration other than cash (Refer note 27.1)	119,639,200		119,639,200	
<b>d. Details of shares held by the holding company</b>				
<b>Particulars</b>	<b>As at 31 March 2017</b>		<b>As at 31 March 2016</b>	
	<b>No. of equity shares</b>		<b>No. of equity shares</b>	
Dutch US Holding B.V., Netherlands	83,637,771		83,637,771	
<b>e. Details of shares held by each shareholder holding more than 5% shares</b>				
<b>Particulars</b>	<b>As at 31 March 2017</b>		<b>As at 31 March 2016</b>	
	<b>No. of equity shares</b>	<b>% of holding</b>	<b>No. of equity shares</b>	<b>% of holding</b>
Dutch US Holding B.V., Netherlands	83,637,771	69.62%	83,637,771	69.62%



Particulars	(Amount in Rs. Lacs)	
	As at 31 March 2017	As at 31 March 2016
<b>4. Reserves and surplus</b>		
a) <b>General reserve</b>	<b>8,337.56</b>	<b>8,337.56</b>
<b>b) Surplus in Statement of Profit and Loss</b>		
Opening balance	10,926.50	7,441.31
Add : Profit for the year	6,861.81	5,581.84
Less:		
- Dividend Proposed to be distributed to equity shareholders (Refer Note below) (Previous year Rs. 1.45 per share)	-	(1,742.02)
- Tax on proposed dividend	-	(354.63)
<b>Closing balance</b>	<b>17,788.31</b>	<b>10,926.50</b>
<b>Total</b>	<b>26,125.87</b>	<b>19,264.06</b>
<b>Note :</b>		
(i) The Board of Directors proposed a dividend of Rs. 2.50 per share (on equity share of par value of Rs.1 each), at their Board meeting held on 30 May, 2017. The payment is subject to approval of the shareholders at the ensuing Annual General Meeting.		
<b>5. Other long-term liabilities</b>		
Interest free deposits from staff	<b>58.60</b>	<b>69.66</b>
<b>6. Long-term provisions</b>		
Provision for employee benefits		
i) Provision for gratuity (net) (Refer Note 27.2)	32.48	8.65
ii) Provision for compensated absences	294.45	238.45
<b>Total</b>	<b>326.93</b>	<b>247.10</b>
<b>7. Trade payables</b>		
i) Total outstanding dues of micro enterprises and small enterprises (Refer Note 26.3)	220.70	325.13
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	7,537.35	6,863.29
<b>Total</b>	<b>7,758.05</b>	<b>7,188.42</b>
<b>8. Other current liabilities</b>		
a) Unpaid dividend	221.22	173.32
b) Other payables		
i) Statutory dues (Contribution to PF and ESIC, withholding taxes, CST/ VAT, Service tax etc.)	69.67	98.96
ii) Payables on purchase of fixed assets	98.51	33.51
iii) Interest accrued on trade payables (Refer Note 26.3)	-	0.49
iv) Advances from customers	106.77	133.81
v) Interest free deposits from staff	16.15	21.47
<b>Total</b>	<b>512.32</b>	<b>461.56</b>

Particulars	(Amount in Rs. Lacs)	
	As at 31 March 2017	As at 31 March 2016
<b>9. Short-term provisions</b>		
a) Provision for employee benefits		
i) Provision for gratuity (net) (Refer Note 27.2 )	5.54	1.42
ii) Provision for compensated absences	33.05	32.17
b) Provision-others		
i) Provision for proposed equity dividend	-	1,742.02
ii) Provision for tax on proposed dividends	-	354.63
iii) Provision for income tax (net of advance tax Rs 11,903.42 lacs)	-	37.36
<b>Total</b>	<b>38.59</b>	<b>2,167.60</b>



(Rs. in Lacs)										
Particulars	Gross Block			Accumulated Depreciation/ Amortisation				Net block		
	Balance as at 1 April 2016	Additions during the year	Disposals during the year	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation/ Amortisation for the year	Disposals/ adjustments	Total Accumulated Depreciation/ Amortisation	Balance as at 31 March 2017	Balance as at 31 March 2016
<b>A. Tangible Assets</b>										
Land - Leasehold (Previous year)	396.42 (396.42)	-	-	396.42 (396.42)	31.30 (25.39)	5.91 (5.91)	-	37.21 (31.30)	359.21 (365.12)	365.12
Building (Previous year)	711.71 (594.13)	220.70 (117.58)	-	932.41 (711.71)	251.60 (223.29)	34.70 (28.31)	-	286.30 (251.60)	646.11 (460.11)	460.11
Plant and machinery (Previous year)	5,221.43 (4,272.49)	650.34 (1,012.37)	6.97 (63.43)	5,864.80 (5,221.43)	2,721.82 (2,308.16)	491.05 (440.24)	4.89 (26.58)	3,207.98 (2,721.82)	2,656.82 (2,499.61)	2,499.61
Furniture and fixtures (Previous year)	39.44 (36.28)	2.92 (3.18)	1.11 (0.02)	41.25 (39.44)	25.40 (22.91)	2.75 (2.51)	1.04 (0.02)	27.11 (25.40)	14.14 (14.04)	14.04
Vehicles (Previous year)	570.28 (632.58)	40.04 (26.91)	95.16 (89.21)	515.16 (570.28)	190.23 (161.49)	68.30 (77.38)	58.09 (48.64)	200.44 (190.23)	314.72 (380.05)	380.05
Office equipment (Previous year)	182.98 (170.33)	18.11 (13.55)	7.50 (0.90)	193.59 (182.98)	123.95 (101.96)	19.90 (22.24)	6.81 (0.25)	137.04 (123.95)	56.55 (59.03)	59.03
<b>Total (A)</b>	<b>7,122.26 (6,102.23)</b>	<b>932.11 (1,173.59)</b>	<b>110.74 (153.56)</b>	<b>7,943.63 (7,122.26)</b>	<b>3,344.30 (2,843.20)</b>	<b>622.61 (576.59)</b>	<b>70.83 (75.49)</b>	<b>3,896.08 (3,344.30)</b>	<b>4,047.55 (3,777.96)</b>	<b>3,777.96</b>
<b>B. Intangible Assets</b>										
Software (Previous year)	130.36 (129.75)	- (0.61)	-	130.36 (130.36)	79.44 (65.41)	14.05 (14.03)	-	93.49 (79.44)	36.87 (50.92)	50.92
<b>Total (B)</b>	<b>130.36 (129.75)</b>	<b>- (0.61)</b>	<b>-</b>	<b>130.36 (130.36)</b>	<b>79.44 (65.41)</b>	<b>14.05 (14.03)</b>	<b>-</b>	<b>93.49 (79.44)</b>	<b>36.87 (50.92)</b>	<b>50.92</b>
<b>TOTAL (A + B)</b>	<b>7,252.62 (6,231.98)</b>	<b>932.11 (1,174.20)</b>	<b>110.74 (153.56)</b>	<b>8,073.99 (7,252.62)</b>	<b>3,423.74 (2,908.61)</b>	<b>636.66 (590.62)</b>	<b>70.83 (75.49)</b>	<b>3,989.57 (3,423.74)</b>	<b>4,084.42 (3,828.88)</b>	<b>3,828.88</b>

Particulars	(Amount in Rs. Lacs)	
	As at 31 March 2017	As at 31 March 2016
<b>11. Non-current investments</b>		
<b>Investment in government securities (unquoted)</b>		
National Savings Certificates*	0.30	0.57
<b>Total</b>	<b>0.30</b>	<b>0.57</b>
*Certificates pledged with sales tax authorities		
<b>12. Long-term loans and advances</b>		
(Unsecured, considered good)		
a) Capital advances	55.23	49.67
b) Security deposits	76.25	54.91
c) Advance income tax (net of provision for tax Rs. 15,537.34 lacs)	78.11	-
d) Prepaid expenses	1.15	
<b>Total</b>	<b>210.74</b>	<b>104.58</b>
<b>13. Other non-current assets</b>		
(Unsecured, considered good)		
a) Deposit accounts with bank *	0.15	0.25
b) Surrender value of keyman policy	16.12	18.88
c) Interest accrued on deposits	-	0.03
<b>Total</b>	<b>16.27</b>	<b>19.16</b>
* Fixed deposits are under lien with banks against bank guarantees to government authorities and customers and are restricted from being exchanged or used to settle a liability for more than 12 months from the balance sheet date.		
<b>14. Inventories</b>		
(At lower of cost and net realisable value)		
a) Raw materials and components [(including goods in transit Rs. 671.61 lacs (31 March, 2016 : Rs. 491.76 lacs)] (Refer Note 21.a)	2,741.90	2,472.21
b) Work in progress (Refer Note 22.a)	840.88	674.85
c) Finished goods (other than those acquired for trading) (Refer Note 22.b)	2,737.18	2,434.20
d) Stock-in-trade (acquired for trading) (Refer Note 22.c)	1,217.75	362.40
e) Stores and spares (including goods in transit Rs. 19.35 lacs (31 March, 2016 : Rs. 42.46 lacs))	600.41	478.70
<b>Total</b>	<b>8,138.12</b>	<b>6,422.36</b>
<b>15. Trade receivables</b>		
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	214.75	600.08
Unsecured, considered doubtful	398.83	564.90
	613.58	1,164.98
Less: Provision for doubtful trade receivables	398.83	564.90
	214.75	600.08
b) Other trade receivables		
Unsecured, considered good	11,183.95	11,250.09
Unsecured, considered doubtful	81.73	3.87
	11,265.68	11,253.96
Less: Provision for doubtful trade receivables	81.73	3.87
	11,183.95	11,250.09
<b>Total</b>	<b>11,398.70</b>	<b>11,850.17</b>
Note: Trade receivables includes debt due from:		
Private company in which any director is a director- RHI India Private Limited	216.18	188.16
	<b>216.18</b>	<b>188.16</b>

Particulars	(Amount in Rs. Lacs)	
	As at 31 March 2017	As at 31 March 2016
<b>16. Cash and cash equivalents</b>		
<b>A. Cash and cash equivalents( As per AS-3 Cash Flow Statements)</b>		
a) Cash on hand	2.79	3.62
b) Balances with banks		
i) in current accounts	476.79	411.61
ii) in demand deposit accounts (original maturity of 3 months or less)	10,163.00	6,853.00
<b>Total- Cash and cash equivalents (as per AS 3 Cash Flow Statements)</b>	<b>10,642.58</b>	<b>7,268.23</b>
<b>B. Other bank balances</b>		
In earmarked accounts		
- unpaid dividend accounts	221.22	173.32
- in demand deposits accounts*	220.38	117.81
- balance held as margin money or security against borrowing, guarantees and other commitments	-	87.88
<b>Total- Other bank balances</b>	<b>441.60</b>	<b>379.01</b>
<b>Total Cash and cash equivalents (A+B)</b>	<b>11,084.18</b>	<b>7,647.24</b>
* Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date	23.98	14.81
<b>17. Short-term loans and advances</b>		
(Unsecured considered good, unless stated otherwise)		
a) Loans and advances to employees	1.85	8.88
b) Prepaid expenses	41.65	30.06
c) Balance with government authorities		
i) Cenvat credit receivable	63.61	77.72
ii) Service tax credit receivable	18.95	24.60
iii) Deposit under protest to central excise and service tax authorities	11.07	-
d) Advances to suppliers	38.87	59.20
e) Others	24.55	8.76
<b>Total</b>	<b>200.55</b>	<b>209.22</b>
<b>18. Other current assets</b>		
(Unsecured considered good, unless stated otherwise)		
a) Unbilled revenue	63.11	65.25
b) Interest accrued on deposits	33.93	31.63
c) Others		
i) Insurance claim receivable	0.41	0.22
ii) Export incentives receivable		
- Unsecured, considered good	286.99	197.75
- Unsecured, considered doubtful	18.11	26.88
	305.10	224.63
Less: Provision for doubtful export incentives receivable	(18.11)	(26.88)
	286.99	197.75
<b>Total</b>	<b>384.44</b>	<b>294.85</b>

Particulars	(Amount in Rs. Lacs)	
	Year ended 31 March 2017	Year ended 31 March 2016
<b>19. Revenue from operations</b>		
a) Sales of products [Refer Note (i) below]		
(i) Finished goods	43,097.09	40,440.10
(ii) Traded goods	11,354.82	8,092.14
b) Sale of services [Refer Note (ii) below]	756.49	669.54
c) Other operating revenues [Refer Note (iii) below]	411.92	252.51
Revenue from operations (gross)	55,620.32	49,454.29
Less: Excise duty *	3,681.55	3,565.96
<b>Revenue from operations (net)</b>	<b>51,938.77</b>	<b>45,888.33</b>
*Excise duty on sales amounting to Rs. 3,681.55 lacs (31 March, 2016: Rs. 3,565.96 lacs) has been reduced from sales in Statement of Profit and Loss and excise duty on decrease in stock amounting to Rs. 53.32 lacs (31 March, 2016: Rs. 81.00 lacs) has been considered as expense in Note 25 of financial statements.		
i) <b>Sale of Product comprises</b>		
<b>Finished goods</b>		
Refractories	37,645.33	35,405.78
Monolithics	5,350.76	4,971.59
Ceramic paper	101.00	62.73
<b>Total</b>	<b>43,097.09</b>	<b>40,440.10</b>
<b>Traded goods</b>		
Spray/Ramming mass	5,406.00	5,031.59
Others	5,948.82	3,060.55
<b>Total</b>	<b>11,354.82</b>	<b>8,092.14</b>
ii) <b>Sale of services comprises</b>		
Refractory management services	756.49	669.54
iii) <b>Other operating revenue comprises</b>		
Export incentive	411.92	252.51
<b>20. Other income</b>		
a) Interest income from:		
i) on bank deposits	139.88	148.02
ii) on others	40.74	36.43
b) Dividend income from current investments	124.75	112.00
c) Net gain on sale of current investments	283.64	69.67
d) Net gain on foreign currency transactions and translation	125.54	153.48
e) Liabilities/ provisions no longer required written back	103.21	2.79
f) Increase in surrender value of keyman insurance policies	1.96	2.50
g) Profit on sale of fixed assets	-	-
h) Provision for doubtful trade receivable no longer required written back	-	-
i) Miscellaneous income	6.56	13.00
<b>Total</b>	<b>826.28</b>	<b>537.89</b>

(Amount in Rs. Lacs)		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
<b>21.a Cost of raw materials and components consumed</b>		
Opening stock	2,472.21	3,062.66
Add: Purchases	20,647.76	17,567.24
	23,119.97	20,629.90
Less: Closing stock	2,741.90	2,472.21
<b>Total cost of raw materials and components consumed</b>	<b>20,378.07</b>	<b>18,157.69</b>
<b>Raw materials and components consumed</b>		
Alumina	8,331.76	7,121.11
Bauxite	1,096.75	1,227.88
Zirconia	1,931.95	1,632.68
Binders	2,211.98	1,904.26
Graphite	1,114.95	1,168.32
Others	5,690.68	5,103.44
<b>Total</b>	<b>20,378.07</b>	<b>18,157.69</b>
<b>Details of closing inventory of raw material and components</b>		
Alumina	691.67	757.48
Bauxite	88.71	97.51
Zirconia	372.75	386.26
Binders	128.94	153.40
Graphite	285.11	205.31
Others	1,174.72	872.25
<b>Total</b>	<b>2,741.90</b>	<b>2,472.21</b>
<b>21.b Purchases of stock-in-trade (traded goods)</b>		
Spray/Ramming mass	4,999.32	4,661.36
Other items	5,009.38	2,423.09
<b>Total</b>	<b>10,008.70</b>	<b>7,084.45</b>
<b>22. Change in inventories of finished goods, work in-progress and stock-in-trade</b>		
<b>Inventories at the end of the year</b>		
Work in progress	840.88	674.85
Finished goods	2,737.18	2,434.20
Stock-in-trade	1,217.75	362.40
	<b>4,795.81</b>	<b>3,471.45</b>
<b>Inventories at the beginning of the year</b>		
Work in progress	674.85	940.74
Finished goods	2,434.20	2,431.74
Stock-in-trade	362.40	246.57
	<b>3,471.45</b>	<b>3,619.05</b>
<b>Net (increase) / decrease</b>	<b>(1,324.36)</b>	<b>147.60</b>

(Amount in Rs. Lacs)		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
<b>Notes :</b>		
<b>22.a Inventory for Work in progress</b>		
Refractories	840.88	674.85
<b>Total</b>	<b>840.88</b>	<b>674.85</b>
<b>22.b Inventory for Finished goods</b>		
Refractories	2,326.77	2,092.48
Monolithics	410.41	341.72
<b>Total</b>	<b>2,737.18</b>	<b>2,434.20</b>
<b>22.c Inventory for Stock-in-trade</b>		
Spray/Ramming mass	182.19	169.17
Others	1,035.56	193.23
<b>Total</b>	<b>1,217.75</b>	<b>362.40</b>
<b>23. Employee benefits expense</b>		
a) Salaries and wages	3,652.80	3,427.07
b) Contribution to provident and other funds (Refer Note 27.2)	318.15	276.04
c) Staff welfare expenses	326.25	233.86
<b>Total</b>	<b>4,297.20</b>	<b>3,936.97</b>
<b>24. Finance costs</b>		
Interest costs	<b>0.30</b>	<b>0.20</b>



Particulars	(Amount in Rs. Lacs)	
	Year ended 31 March 2017	Year ended 31 March 2016
<b>25. Other expenses</b>		
a) Consumption of stores and spare parts	1,301.25	1,434.85
b) Consumption of packing materials	972.18	895.03
c) Increase/ (decrease) in excise duty on inventory	53.32	81.00
d) Power and fuel	1,739.19	1,642.56
e) Processing charges	907.24	718.01
f) Rent (Refer Note 27.5)	27.06	21.71
g) Repairs and maintenance		
- Plant and machinery	205.47	200.05
- Buildings	18.03	22.77
- Others	5.56	4.94
h) Insurance	32.13	36.06
i) Rates and taxes	25.76	26.95
j) Communication costs	43.67	45.88
k) Travelling and conveyance	159.75	178.68
l) Printing and stationery	19.20	20.60
m) Freight and forwarding	1,479.92	1,291.75
n) Commission on sales (Other than sole selling agents)	547.65	585.81
o) Advertising and other expenses	74.50	51.49
p) Donation	1.97	2.35
q) Expenditure on corporate social responsibility (Refer Note 30)	151.45	209.29
r) Legal and professional fees (Refer Note (i) and (ii) below)	213.08	248.00
s) Royalty	72.79	10.49
t) Directors sitting fees	6.56	6.01
u) Bad trade and other receivables, loans and advances written off	119.67	94.54
v) Provision for doubtful trade receivables	-	54.74
w) Loss on fixed assets sold/ scrapped/ written off	2.78	48.02
x) Miscellaneous expenses	101.14	111.47
<b>Total</b>	<b>8,281.32</b>	<b>8,043.05</b>

Note : Legal and professional include Payment to Auditors as under : -

i) Payment to auditor comprise (net of service tax input credit):

a) To statutory auditor		
- For audit	41.84	41.84
- For limited reviews	12.70	12.73
- For other matters	10.10	10.85
- Reimbursement of expenses	2.35	1.99
b) To cost auditor for cost audit	0.50	0.50
<b>Total</b>	<b>67.49</b>	<b>67.91</b>

ii) In addition to above, fees amounting to Rs. 6.50 Lacs. (Previous Year Rs. 2.00 lacs) for other professional services rendered by a firm of accountants in which some of the partners are also partners in the firm of statutory auditors.

(Amount in Rs. Lacs)

## Additional information to the financial statements

### 26.1 Contingent liabilities

- (i) Claims against the Company not acknowledged as debts\*:

Particulars	As at 31 March 2017	As at 31 March 2016
- Demand from income tax authorities	39.98	288.94
- Demand from service tax authorities**	337.11	-
	<b>377.09</b>	<b>288.94</b>

\*No provision is considered necessary since the Company expects favourable decisions.

\*\* Paid under protest of Rs. 11.07 Lacs

### 26.2 Capital and other Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):

Particulars	As at 31 March 2017	As at 31 March 2016
- Tangible assets	93.71	160.70
	<b>93.71</b>	<b>160.70</b>

- (ii) The Company has other commitments, for purchases/sales orders which are issued after considering requirements per operating cycle for purchase/sale of goods and services and employee benefits, in normal course of business.
- (iii) The Company did not have any long term commitments/contracts including derivative contracts for which there were any material foreseeable losses.

### 26.3 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March 2017	As at 31 March 2016
i. Principal amount remaining unpaid to any supplier as at the end of the accounting year	220.70	325.13
ii. Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	0.49
iii. The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	82.46	Nil
iv. The amount of interest due and payable for the year	Nil	0.20
v. The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	0.49
vi. The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	0.01

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

## 26.4 Unexpired foreign exchange forward contracts

Forward Contracts have been undertaken to act as economic hedges for the Company's exposures to various risks in foreign exchange markets and may/may not qualify or be designated as hedging instruments.

- Forward exchange contracts, which are not intended for trading or speculative purposes but for hedge purposes to establish the amount of reporting currency required or available at the settlement date of certain payables and receivables.
- Outstanding forward exchange contracts entered into by the Company as on 31 March, 2017

Currency	Amount	Buy / Sell	Cross currency
Euro	150,000 (Nil)	(Sell) (Not Applicable)	Rupees

**Note:** Figures in bracket relate to the previous year.

- The year-end foreign currency exposures that have not been hedged by a derivative instrument or other are given below:

Particulars	Currency	As at 31 March 2017		As at 31 March 2016	
		Foreign currency	Amount (Rs. Lacs)	Foreign currency	Amount (Rs. Lacs)
Trade payables	USD	1,595,659	1,034.60	849,089	563.23
	EURO	96,647	66.93	73,069	54.87
Trade receivables *	USD	2,101,980	1,362.90	1,903,072	1,262.36
	EURO	790,648	547.50	1,061,445	797.10

\* Gross of provision for doubtful trade receivables

## 26.5 Value of imports calculated on CIF basis

(Amount in Rs. Lacs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Raw materials	4,644.09	3,181.70
Traded goods	2,388.90	190.33
Capital goods	22.65	225.45
Stores and spare parts	101.75	103.93
	<b>7,157.39</b>	<b>3,701.41</b>

## 26.6 Expenditure in foreign currency

(Amount in Rs. Lacs)

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Travelling and conveyance	9.80	14.40
Commission on sales (Other than sole selling agents)	234.31	195.35
Legal and professional fees	18.19	17.75
Royalty	71.13	9.94
Advertising and other expenses	10.43	-
Miscellaneous expenses	11.00	16.51
	<b>354.86</b>	<b>253.95</b>

(Amount in Rs. Lacs)

**26.7 Imported and indigenous raw materials and components and stores and spares consumed**

Particulars	Year ended 31 March 2017		Year ended 31 March 2016	
	% of total consumption	Value	% of total consumption	Value
<b>Raw materials and components</b>				
Imported	23.95	4,879.88	22.06	4,006.14
Indigenous	76.05	15,498.19	77.94	14,151.55
	<b>100.00</b>	<b>20,378.07</b>	<b>100.00</b>	<b>18,157.69</b>
<b>Stores and spare parts</b>				
Imported	7.30	94.93	9.27	133.06
Indigenous	92.70	1,206.32	90.73	1,301.79
	<b>100.00</b>	<b>1,301.25</b>	<b>100.00</b>	<b>1,434.85</b>

**26.8 Earnings in foreign currency (accrual basis)**

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
FOB value of exports	10,651.77	9,011.70

**26.9 Amounts remitted in foreign currency during the year on account of dividend**

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Amount of dividend remitted in foreign currency	1,212.75	1,170.93
Total number of non-resident shareholders (to whom the dividends were remitted in foreign currency)	1	1
Total number of shares held by them on which dividend was due	83,637,771	83,637,771
Year to which the dividend relates	2015-16	2014-15

**27.1** Pursuant to the scheme of arrangement between Orient Abrasives Limited (transferor company) and the Company, the refractory business of the transferor company carried out at its manufacturing unit at Bhiwadi (demerged undertaking), was transferred to the Company with effect from 1 April, 2011 (the appointed date). The said scheme under Section 391 to 394 of the Companies Act, 1956 was approved by the Hon'ble High Court of Delhi vide its order dated 19 September, 2011 and has been effective from 31 October, 2011 ("the effective date"), i.e. date of filing the above order with the Registrar of Companies.

The said scheme provides, inter alia, the transfer of demerged undertaking on a going concern basis to the Company in consideration of which, each shareholder of Orient Abrasives Limited whose name appeared in the register of members of Orient Abrasives Limited on the record date i.e. 14 November, 2011, received one fully paid equity share of face value of Re.1 each in the Company.

The scheme provided for its basis of transfer of certain specific assets and liabilities and where not specifically provided in the scheme, it authorized the 'Board of Directors' of both the companies to mutually decide through a resolution. In terms of above, the following was done in the financial year 2011-12:

- The book value of assets, liabilities, reserves and surplus (as agreed) of the demerged undertaking as on the appointed date was accounted for as assets and liabilities and reserves in the books of the Company as on the appointed date. Following is the amount of such assets, liabilities and reserves:

	(Amount in Rs. Lacs)
Reserves and surplus	4,637.56
Secured loans	3,400.00
Deferred tax liability (net)	118.89
Fixed assets including intangibles (net block)	1,882.80
Capital work in-progress including capital advances	568.97
Investments	0.27
Inventories	4,433.58
Sundry debtors	5,023.72
Cash and bank balances	48.67
Other current assets	356.25
Loans and advances	248.57
Current liabilities	3,106.52
Provisions	103.47

- ii. Loans as identified for the demerged undertaking and transferred from Orient Abrasives Limited were recorded in the books. Later on, the Company obtained its own credit facility and loans transferred from the transferor company were repaid.
- iii. Aggregate face value of the new equity shares (1,196.39 lacs shares of Re. 1 each amounting to Rs.1,196.39 lacs) were issued by the Company to the members of the transferor company and was credited to the share capital account on the appointed date. The Company in its board meeting dated 15 November, 2011 allotted these shares. In view of the allotment of shares, the transferor Company ceased to be the holding company of the Company.
- iv. The employees of the demerged undertaking were transferred to the Company on their existing terms of employment with the transferor Company.
- v. All contingent liabilities relating to demerged undertaking were transferred to the Company on the appointed date.
- vi. Deferred tax liability (net) pertaining to the demerged undertaking and as agreed by the Board of Directors were transferred to the Company.

The transferor company was carrying on business of demerged undertaking in trust on behalf of the Company for the period from the appointed date till the effective date.

## 27.2 Employee benefit plans

### i. Defined contribution plans

The Company makes Provident Fund, National Pension Scheme and Employees' State Insurance contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs.180.17 lacs (31 March, 2016: Rs.162.41lacs) for Provident Fund, Rs. 25.75 lacs (31 March, 2016: Rs. 20.58 lacs) for National Pension Scheme and Rs. 12.72 lacs (31 March, 2016: Rs. 14.82 lacs) for Employees' State Insurance contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### ii. Defined benefit plans

The Company offers employee benefit schemes of Gratuity to its employees. Benefits payable to all employees of the Company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The following table sets out the funded status of defined benefit schemes and the amount recognised in the financial statements:

(Amount in Rs. Lacs)

Particulars	31 March 2017	31 March 2016
<b>Components of employer's expense</b>		
Current service cost	54.24	45.78
Interest cost	52.31	46.95
Expected return on plan assets	(51.51)	(45.72)
Actuarial losses/(gains)	44.47	31.22
<b>Total expense recognised in the Statement of Profit and Loss</b>	<b>99.51</b>	<b>78.23</b>
<b>Actual contribution and benefit payments for year</b>		
Actual benefit payments	43.27	52.33
Actual contributions	71.56	83.52
<b>Net asset / (liability) recognised in the Balance Sheet</b>		
Present value of defined benefit obligation	781.81	653.90
Fair value of plan assets	743.79	643.83
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>(38.02)</b>	<b>(10.07)</b>
<b>Net liability has been classified under:</b>		
Long-term provisions	(32.48)	(8.65)
Short-term provisions	(5.54)	(1.42)
<b>Change in defined benefit obligations (DBO) during the year</b>		
Present value of DBO at beginning of the year	653.90	586.92
Current service cost	54.24	45.78
Interest cost	52.31	46.95
Actuarial losses/(gains)	64.63	26.58
Benefits paid	(43.27)	(52.33)
<b>Present value of DBO at the end of the year</b>	<b>781.81</b>	<b>653.90</b>
<b>Change in fair value of assets during the year</b>		
Plan assets at beginning of the year	643.83	571.56
Expected return on plan assets	51.51	45.72
Actual company contributions	71.56	83.52
Benefits paid	(43.27)	(52.33)
Actuarial gain / (loss)	20.16	(4.64)
<b>Plan assets at the end of the year</b>	<b>743.79</b>	<b>643.83</b>
Actual return on plan assets	71.67	41.08
<b>Composition of the plan assets is as follows:</b>		
Kotak Group Bond Fund	100%	100%
Kotak Group Floating Rate Fund	-	-
<b>Actuarial assumptions for Gratuity and Compensated absences</b>		
Discount rate	8.00%	8.00%
Expected return on plan assets	9.00%	8.00%
Salary escalation	8.00%	8.00%
Mortality tables	IALM (2006 - 08)	IALM (2006 - 08)
Attrition (%)		
Ages:		
Upto 30 years	3.00	3.00
From 31 to 44 years	2.00	2.00
Above 44 years	1.00	1.00
Estimate of amount of contribution in the immediate next year	70.71	59.44

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

The expected rate of return on plan assets is determined after considering several applicable factors, such as the composition of the plan assets, investment strategy, market scenario etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The gratuity fund plan assets of the Company are managed by Orient Refractories Employees Group Gratuity Trust through Kotak Gratuity Group Plan. As per the information provided by the Kotak Mahindra Old Mutual Life Insurance Limited, 100% of the plan assets has been invested in the funds managed by the Insurer.

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Amounts for the current year and previous four years are as follows:

(Amount in Rs. Lacs)

Particulars	Gratuity				
	31 March 2017	31 March 2016	31 March 2015	31 March 2014	31 March 2013
Present value of defined benefit obligation	781.81	653.90	586.92	488.57	409.63
Fair value of plan assets	743.79	643.83	571.56	480.43	400.22
Surplus/ (Deficit)	(38.02)	(10.07)	(15.36)	(8.14)	(9.41)
Experience adjustment on plan liabilities (loss)/ gain	(26.32)	(26.58)	(16.94)	(34.89)	(58.59)
Experience adjustment on plan assets (loss)/ gain	20.16	(4.64)	30.14	(20.66)	8.83

### 27.3 Segment information

#### Business Segments:

The Company is primarily engaged in the business of manufacturing and selling of refractories and monolithics. The entire operations are governed by the same set of risk and returns and, hence, the same has been considered as representing a single primary segment.

Since the Company's business activity falls within a single business segment, there are no additional disclosures to be provided under Accounting Standard-17 'Segment Reporting' other than those already provided in the financial statements.

#### Geographical Segments:

The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Company has assessed that they carry same risk and rewards. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

#### Secondary Segment Reporting (by Geographical Segments)

The following is the distribution of the Company's total revenue of operations by geographical market, regardless of where the goods were produced:

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Within India	41,287.00	36,876.63
Outside India	10,651.77	9,011.70
	<b>51,938.77</b>	<b>45,888.33</b>

(Amount in Rs. Lacs)

The following table shows the carrying amount of trade receivables by geographical segments:

Particulars	As at 31 March 2017	As at 31 March 2016
Within India	9,427.46	9,832.17
Outside India	1,971.24	2,018.00
	<b>11,398.70</b>	<b>11,850.17</b>

All other assets (other than trade receivables) used in the Company's business are located in India and are used to cater to both the categories of customers (within India and outside India), accordingly the total cost incurred during the year to acquire tangible and intangible fixed assets has not been disclosed.

#### 27.4 Related party transactions:

##### A. Details of Related Parties

##### a. Ultimate holding company

RHI AG, Austria

##### b. Holding company

Dutch US Holding B.V., Netherlands

##### c. Fellow subsidiaries

RHI Clasil Private Limited

RHI India Private Limited

RHI Refractories Asia Ltd, Hong Kong

Veitsch Radex America LLC, USA

RHI Refractories UK Ltd

Veitsch Radex GMBH & Co OG, Austria

Refractory Intellectual Property GMBH & Co Kg, Austria

RHI Refractories Asia Pacific PTE Ltd, Singapore

##### d. Key Managerial Personnel (KMP)

Mr. Parmod Sagar, Managing Director

Mr. Subhash Chander Sarin, Executive Director (up to 30 April, 2015)

Mr. Shri Gopal Rajgarhia, Executive Director (up to 8 April, 2015)

##### e. Relative of KMP

Ms. Anisha Mittal (Mr. Shri Gopal Rajgarhia's daughter) (up to 8 April, 2015)

Mr. Christophar Parvesh (Mr. Parmod Sagar's brother)

##### f. Entities in which KMP/Relatives of KMP can exercise significant influence

Orient Abrasives Limited (up to 8 April, 2015)

Hindustan General Industries Limited (up to 8 April, 2015)





Transactions with Related Parties during the year				(Amount in Rs. Lacs)									
Particulars		A. Ultimate holding company		B. Fellow subsidiaries		C. Key Managerial Personnel		D. Relatives of KMP		E. Entities in which KMP/ Relatives of KMP can exercise significant influence		Total	
Financial Year		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Sales</b>													
	RHI AG, Austria	5,065.54	4,218.52	-	-	-	-	-	-	-	-	5,065.54	4,218.52
	RHI India Private Limited	-	-	434.07	769.02	-	-	-	-	-	-	434.07	769.02
	RHI Refractories Asia Ltd, Hong Kong	-	-	-	42.18	-	-	-	-	-	-	-	42.18
	RHI Clasil Private Limited	-	-	627.01	693.46	-	-	-	-	-	-	627.01	693.46
	Veitsch Radex America LLC, USA	-	-	-	9.16	-	-	-	-	-	-	-	9.16
	RHI Refractories UK Ltd	-	-	-	13.92	-	-	-	-	-	-	-	13.92
	Veitsch Radex GMBH & Co OG, Austria	-	-	-	0.48	-	-	-	-	-	-	-	0.48
	RHI Refractories Asia Pacific PTE Ltd, Singapore	-	-	594.50	158.88	-	-	-	-	-	-	594.50	158.88
<b>Total Sales</b>		<b>5,065.54</b>	<b>4,218.52</b>	<b>1,655.58</b>	<b>1,687.10</b>	-	-	-	-	-	-	<b>6,721.12</b>	<b>5,905.62</b>
<b>Sale of Capital goods</b>													
	RHI Clasil Private Limited	-	-	2.35	-	-	-	-	-	-	-	2.35	-
<b>Purchase</b>													
	Orient Abrasives Limited	-	-	-	-	-	-	-	-	-	-	-	81.35
	RHI AG, Austria	2,120.62	249.77	-	-	-	-	-	-	-	-	2,120.62	249.77
	RHI Clasil Private Limited	-	-	39.60	19.04	-	-	-	-	-	-	39.60	19.04
	RHI India Private Limited	-	-	19.57	207.68	-	-	-	-	-	-	19.57	207.68
<b>Total Purchase</b>		<b>2,120.62</b>	<b>249.77</b>	<b>59.17</b>	<b>226.72</b>	-	-	-	-	-	-	<b>81.35</b>	<b>2,179.79</b>
<b>Purchases of Capital goods</b>													
	RHI AG, Austria	-	3.87	-	-	-	-	-	-	-	-	-	3.87
<b>Dividend paid</b>													
	Dutch US Holding B.V., Netherlands	1,212.75	1,170.93	-	-	-	-	-	-	-	-	<b>1,212.75</b>	<b>1,170.93</b>
<b>Managerial remuneration @</b>													
	Shri Gopal Rajgarhia	-	-	-	-	-	4.76	-	-	-	-	-	4.76
	Subhash Chander Sarin	-	-	-	-	-	15.54	-	-	-	-	-	15.54
	Parmod Sagar	-	-	-	-	210.68	199.59	-	-	-	-	210.68	199.59
<b>Total</b>		-	-	-	-	<b>210.68</b>	<b>219.89</b>	-	-	-	-	<b>210.68</b>	<b>219.89</b>
<b>Commission on sales (Other than sole selling agents)</b>													
	Hindustan General Industries Limited	-	-	-	-	-	-	-	-	-	0.85	-	<b>0.85</b>
<b>Salary</b>													
	Christophar Parvesh	-	-	-	-	-	-	6.42	5.64	-	-	<b>6.42</b>	<b>5.64</b>
<b>Royalty</b>													
	Refractory Intellectual Property GMBH & Co Kg, Austria	-	-	26.50	9.92	-	-	-	-	-	-	<b>26.50</b>	<b>9.92</b>

@Does not include provisions for gratuity and compensated absences liabilities, since the provision are based on actuarial valuations for the Company as whole



Transactions with Related Parties during the year		(Amount in Rs. Lacs)									
		A. Ultimate holding company		B. Fellow subsidiaries		C. Key Managerial Personnel		D. Relatives of KMP		E. Entities in which KMP/ Relatives of KMP can exercise significant influence	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>Particulars</b>	<b>Financial Year</b>										<b>Total</b>
<b>Expenses reimbursement (Received)</b>											
RHI AG, Austria		107.21	7.63	-	-	-	-	-	-	107.21	7.63
RHI Clasil Private Limited		-	-	1.31	1.34	-	-	-	-	1.31	1.34
RHI India Private Limited		-	-	1.31	1.65	-	-	-	-	1.31	1.65
RHI Refractories Asia Pacific PTE Ltd, Singapore		-	-	28.77	-	-	-	-	-	28.77	-
<b>Total</b>		<b>107.21</b>	<b>7.63</b>	<b>31.39</b>	<b>2.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>138.60</b>	<b>10.62</b>
<b>Rent</b>											
Anisha Mittal		-	-	-	-	-	-	0.14	-	-	0.14
<b>Trade Payables:</b>											
RHI AG, Austria		92.53	35.53	-	-	-	-	-	-	92.53	35.53
RHI India Private Limited		-	-	1.38	192.38	-	-	-	-	1.38	192.38
Refractory Intellectual Property GMBH & Co Kg, Austria		-	-	22.75	8.94	-	-	-	-	22.75	8.94
RHI Clasil Private Limited		-	-	-	19.04	-	-	-	-	-	19.04
<b>Total Trade payables</b>		<b>92.53</b>	<b>35.53</b>	<b>24.13</b>	<b>220.36</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116.66</b>	<b>255.89</b>
<b>Trade Receivables</b>											
RHI AG, Austria		946.18	1,101.26	-	-	-	-	-	-	946.18	1,101.26
RHI India Private Limited		-	-	216.18	188.16	-	-	-	-	216.18	188.16
RHI Clasil Private Limited		-	-	129.56	241.55	-	-	-	-	129.56	241.55
RHI Refractories Asia Pacific PTE Ltd, Singapore		-	-	175.82	155.73	-	-	-	-	175.82	155.73
<b>Total Trade receivables</b>		<b>946.18</b>	<b>1,101.26</b>	<b>521.56</b>	<b>585.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,467.74</b>	<b>1,686.70</b>

(Amount in Rs. Lacs)

## 27.5 Details of leasing arrangements

The Company has entered into operating lease arrangements for certain facilities and office premises. These are cancelable by giving notice and are renewable by mutual consent on mutually agreed terms. There is no lock in period.

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Lease payments recognised in the Statement of Profit and Loss (Refer Note 25)	27.06	21.71

## 27.6 Earnings per share

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Net profit for the year	6,861.81	5,581.84
Nominal value per share (Rupees)	1	1
Weighted average number of equity shares – for Basic EPS	1,201.39	1,201.39
Weighted average number of equity shares – for diluted EPS	1,201.39	1,201.39
Earnings per share basic and diluted	5.71	4.65

## 27.7 Deferred tax(asset) / liability

Particulars	As at 31 March 2016	Charged/ (Credited) to statement of Profit and Loss	As at 31 March 2017
<b>Tax effect of items constituting deferred tax liabilities</b>			
On difference between book balance and tax balance of fixed assets	239.24	16.83	256.07
	210.96	28.28	239.24
Others	6.53	(0.95)	5.58
	5.56	0.97	6.53
<b>Tax effect of items constituting deferred tax liabilities</b>	<b>245.77</b>	<b>15.88</b>	<b>261.65</b>
	<b>216.52</b>	<b>29.25</b>	<b>245.77</b>
<b>Tax effect of items constituting deferred tax assets</b>			
Provision for doubtful debts / advances	(206.14)	33.56	(172.58)
	(183.86)	(22.28)	(206.14)
Provision for gratuity	(3.48)	(9.68)	(13.16)
	(5.22)	1.74	(3.48)
Provision for compensated absences	(93.65)	(19.69)	(113.34)
	(87.67)	(5.98)	(93.65)
Voluntary retirement scheme	(8.72)	8.72	-
	(19.26)	10.54	(8.72)
<b>Tax effect of items constituting deferred tax (asset)/ liability</b>	<b>(311.99)</b>	<b>12.91</b>	<b>(299.08)</b>
	<b>(296.01)</b>	<b>(15.98)</b>	<b>(311.99)</b>
<b>Net deferred tax (asset)/ liability</b>	<b>(66.22)</b>	<b>28.79</b>	<b>(37.43)</b>
	<b>(79.49)</b>	<b>13.27</b>	<b>(66.22)</b>

Figures in italics relates to previous year

28. Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November, 2016 to 30 December, 2016:

(Amount in Rs.)

	SBNs*	Other Denomination Notes	Total
<b>Closing cash in hand as on 8 November, 2016</b>	450,000	12,822	462,822
(+) Permitted receipts	-	579,101	579,101
(-) Permitted payments	-	491,325	491,325
(-) Amount deposited in Banks	450,000	-	450,000
<b>Closing cash in hand as on 30 December, 2016</b>	-	<b>100,598</b>	<b>100,598</b>

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

29. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**30. Expenditure on corporate social responsibility**

- a) Gross amount required to be spent by the Company during the year ended 31 March, 2017: Rs.181.58 lacs (including unspent amount Rs. 21.08 lacs related to Previous year ended 31 March, 2016) (31 March, 2016: Rs.230.37 lacs).

- b) Amount spent during the year ended 31 March, 2017:

(Amount in Rs. Lacs)

Particulars	Paid (A)	Yet to be paid (B)	Total (A+B)
(a) Construction/acquisition of any asset	-	-	-
	(4.25)	(-)	(4.25)
(b) On purposes other than (a) above	151.45	-	151.45
	(205.04)	(-)	(205.04)
(c) Details of related party transactions			
- Contribution during the year	-	-	-
	(-)	(-)	(-)
- Payable as at 31 March, 2017	-	-	-
	(-)	(-)	(-)

Note: Figures in brackets pertain to the previous year.

**31. Previous year figures**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors of  
**ORIENT REFRACTORIES LIMITED**

**Dr. Vijay Sharma**  
Chairman  
(DIN - 00880113)

**Parmod Sagar**  
Managing Director  
(DIN - 06500871)

**Sanjeev Bhardwaj**  
Chief Financial Officer

**Manoj Gupta**  
Asst. Vice President (F&A)

**Sanjay Kumar**  
Company Secretary  
(ACS-17021)

**Place : New Delhi**  
**Date : 30 May, 2017**

**Form No. SH-13**
**Nomination Form**

[Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014]

To,

**Orient Refractories Limited**  
**804-A, Chiranjiv Tower**  
**43, Nehru Place,**  
**New Delhi-110019**

I/We \_\_\_\_\_ the holder(s) of the securities, particulars of which are given hereunder, wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made):**

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

**(2) PARTICULARS OF NOMINEE/S –**

- (a) Name :
- (b) Date of Birth :
- (c) Father's / Mother's / Spouse's name :
- (d) Occupation :
- (e) Nationality :
- (f) Address :
- (g) E-mail Id. & Telephone No. :
- (h) Relationship with the security holder(s) :

**(3) IN CASE NOMINEE IS A MINOR –**

- (a) Date of birth :
- (b) Date of attaining majority :
- (c) Name of guardian :
- (d) Address of guardian :

**(4) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY –**

- (a) Name :
- (b) Date of Birth :
- (c) Father's / Mother's / Spouse's name :
- (d) Occupation :
- (e) Nationality :
- (f) Address :
- (g) E-mail Id. & Telephone No. :
- (h) Relationship with the security holder(s) :
- (i) Relationship with the minor nominee :

Name(s) and Address of Security holder(s)

Signature(s)

Name and Address of Witness

Signature

**Form No. SH-14**
**Cancellation or Variation of Nomination**

[Pursuant to sub-section (3) of Section 72 of the Companies Act, 2013 and Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014]

To,  
**Orient Refractories Limited**  
**804-A, Chiranjiv Tower**  
**43, Nehru Place,**  
**New Delhi-110019**

I/We hereby cancel the nomination(s) made by me/us in favour of

[name(s) and address of the nominee]

in respect of the below mentioned securities.

Or

I/We hereby nominate the following person in place of

as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my / our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled / varied)**

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

**(2) (A) PARTICULARS OF NOMINEE/S –**

- (a) Name :
- (b) Date of Birth :
- (c) Father's / Mother's / Spouse's name :
- (d) Occupation :
- (e) Nationality :
- (f) Address :
- (g) E-mail Id. & Telephone No. :
- (h) Relationship with the security holder(s) :

**(B) IN CASE NOMINEE IS A MINOR –**

- (a) Date of birth :
- (b) Date of attaining majority :
- (c) Name of guardian :
- (d) Address of guardian :

**(3) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY –**

- (a) Name :
- (b) Date of Birth :
- (c) Father's / Mother's / Spouse's name :
- (d) Occupation :
- (e) Nationality :
- (f) Address :
- (g) E-mail Id. & Telephone No. :
- (h) Relationship with the security holder(s) :
- (i) Relationship with the minor nominee :

Name(s) and Address of Security holder(s)

Signature(s)

Name and Address of Witness

Signature

To,  
**Skyline Financial Services Private Limited**  
**D-153 A, 1st Floor,**  
**Okhla Industrial Area, Phase-I,**  
**New Delhi-110 020**

### Updation of Shareholder Information

I/ We request you to record the following information against our Folio No.:

#### General Information:

Folio No.:	
Name of the first named Shareholder:	
PAN: *	
CIN/ Registration No.: * (applicable to Corporate Shareholders)	
Tel No. with STD Code:	
Mobile No.:	
Email Id:	

\*Self-attested copy of the document(s) enclosed

#### Bank Details:

IFSC (11 digit)		MICR (9 digit)	
Bank A/c Type		Bank A/c No. *	
Name of the Bank			
Bank Branch Address			

\* A blank cancelled cheque is enclosed to enable verification of bank details

I/ We hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I/ We would not hold the Company/ RTA responsible. I/ We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/ We understand that the above details shall be maintained by you till I/We hold the securities under the above mentioned Folio No.

Place:

Date:

.....  
 Signature of Sole/ First holder



## ORIENT REFRACTORIES LIMITED

Registered Office: 804-A, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019

CIN: L28113DL2010PLC210819

Tel. No.: +91 1141518482, E-mail: investor@orlindia.com, Website: www.orientrefractories.com

### ATTENDANCE SLIP

**7<sup>TH</sup> ANNUAL GENERAL MEETING ON MONDAY, 25 SEPTEMBER, 2017 AT 11:30 A.M.**  
at "Modi Hall", PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area,  
August Kranti Marg, New Delhi-110016

I/ We hereby record my/ our presence at the **SEVENTH ANNUAL GENERAL MEETING** of the Company at "Modi Hall", PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016, on Monday, the 25<sup>th</sup> September, 2017 at 11.30 a.m.

Member's Folio/ DP ID-Client ID No.

Member's/ Proxy's name in Block Letters

Member's/Proxy's Signature

#### NOTES:

1. Only Member/ Proxyholder can attend the Meeting.
2. Please complete the Folio/ DP ID-Client ID No. and name of the Member/ Proxy, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. Shareholder/ Proxyholder desiring to attend the Meeting should bring his/ her copy of the Annual Report for reference at the Meeting.

### Particulars for voting through Electronic means

For Members opting to vote through electronic means, instead of voting at the Annual General Meeting, facility is available at the web link: <https://www.evoting.nsdl.com>. Particulars for electronic voting are as under:

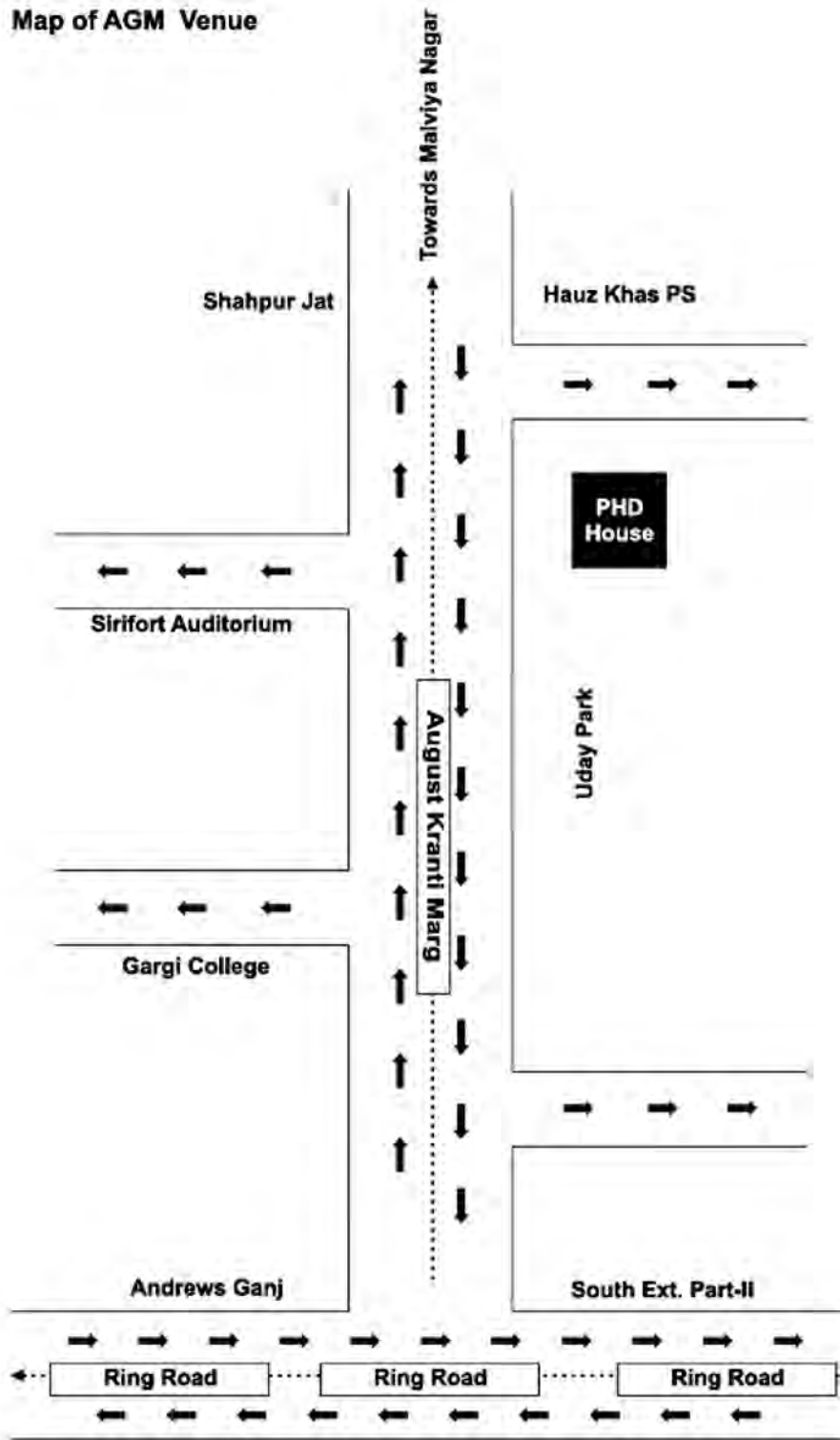
EVEN (E-Voting Event Number)	User ID	Password

#### NOTES:

Please refer to the instructions printed under the Notes of the Notice of the 7th Annual General Meeting. The e-voting period starts from **9.00 am on Friday, 22 September, 2017** and will end at **5.00 pm on Sunday, 24 September, 2017**. The voting module shall be disabled by NSDL for voting thereafter.



**Map of AGM Venue**





# ORIENT REFRACTORIES LIMITED

Registered Office: 804-A, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019

CIN: L28113DL2010PLC210819

Tel. No.: +91 1141518482, E-mail: investor@orlindia.com, Website: www.orientrefractories.com

## PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No./ DP ID-Client ID No.	

I/ We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

- (1) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;
- (2) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;
- (3) Name: \_\_\_\_\_ Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company to be held on Monday, 25 September, 2017, at 11.30 a.m. at **"Modi Hall"**, PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolution	For	Against
<b>Ordinary Business</b>			
1.	Consider and adopt Audited Financial Statements for the Financial Year ended 31 March, 2017 and Report of the Board of Directors and Auditors report thereon.		
2.	Declaration of dividend on Equity Shares for the year ended 31 March, 2017		
3.	Appointment of Director in place of Mr. Erwin Jankovits (DIN:07089589) who retires by rotation and being eligible offers himself for re-appointment		
4.	Appointment of M/s. Price Water House, Chartered Accountants, LLP as Statutory Auditors of the Company and to fix their remuneration		
<b>Special Business</b>			
5.	Appointment of Ms. Verena Buzzi (DIN:07901672) as a Director		
6.	Appointment of Mr. Parmod Sagar (DIN:06500871) as Managing Director and Chief Executive Officer of the Company		
7.	Ratification of the Remuneration of M/s. K G Goyal & Associates, Cost Auditors of the Company		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

\_\_\_\_\_  
Signature of Shareholder:

\_\_\_\_\_  
Signature of Proxy holder

Affix  
Revenue  
Stamp

### NOTES:

- This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at 804-A, Chiranjiv Tower, 43, Nehru Place, New Delhi-110019, not less than 48 hours before the commencement of the Meeting.
- This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Appointing proxy does not prevent a member from attending in person if he so wishes.
- In case of joint holders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



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**ORIENT REFRACTORIES LIMITED**

804-A, Chiranjiv Tower,  
43, Nehru Place,  
New Delhi - 110 019