8th

Annual Report 2017 2018

ORIENT REFRACTORIES LIMITED

(An RHI Magnesita Company)

BOARD OF DIRECTORS
Dr. Vijay Sharma (Chairman)
Mr. R. S. Bajoria
Mr. Reinhold Steiner
Mr. Erwin Jankovits
Ms. Verena Buzzi
Mr. Parmod Sagar (Managing Director & CEO)

CHIEF FINANCIAL OFFICER
Mr. Sanjeev Bhardwaj

COMPANY SECRETARY
Mr. Sanjay Kumar

CORPORATE IDENTITY NUMBER (CIN)
L28113DL2010PLC210819

STATUTORY AUDITORS
M/s. Price Waterhouse, LLP

COST AUDITORS
M/s. K.G.Goyal & Associates

SECRETARIAL AUDITORS
M/s. Naresh Verma & Associates

INTERNAL AUDITORS
M/s. Chaturvedi & Partners

REGISTERED OFFICE *(w.e.f. 1 August,2018)*
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, Maharashtra - 400086

Tel. No. : +91 - 22 - 66090600
Fax No. : +91 - 22 - 66090601
E-mail : ho@orlindia.com
Web-site : www.orientrefractories.com

WORK

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 REGISTRAR AND TRANSFER AGENT
Skyline Financial Services Private Limited
D-153 A, 1st Floor,
Okhla Industrial Area, Phase-I,
New Delhi - 110 020
Tel. : + 91 - 11 - 40450193-97
Fax : + 91 - 11 - 26812682
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 8th Annual General Meeting of "Orient Refractories Limited" will be held on Monday, 10 September, 2018 at 2:30 p.m. at Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri, Mumbai- 400059, 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, 2018 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, 2018.

Item No.3

To appoint a director in place of Mr. Parmod Sagar holding DIN 06500871, who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

Item No. 4

Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013

To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to Section 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force, and Rules made thereunder and subject to necessary statutory approvals and modifications if any, consent of the members be and is hereby accorded to adopt the new Memorandum of Association in place of the existing Memorandum of Association with no change in existing Clause III A containing the Main Objects sub-clause no. 1 to 4.

RESOLVED FURTHER THAT the existing Clause III B containing the "Objects Incidental or Ancillary to the attainment of Main Objects" sub-clause no. 1 to 27 be and is hereby stands deleted and replaced by New Clause III (B) "Matters which are necessary for furtherance of the Objects specified in Clause III(A) containing the sub-clause no. 1 to 99.

RESOLVED FURTHER THAT the existing Clause III C containing the "Other Objects" sub clause no. 1 to 75 be and is hereby also stands deleted in full.

RESOLVED FURTHER THAT consent of shareholders of the Company be and is hereby accorded to approve and adopt the aforesaid changes in the Memorandum of Association of the Company and that Mr. Parmod Sagar, Managing Director & CEO, Mr. Sanjeev Bhardwaj, Chief Financial Officer and/or Mr. Sanjay Kumar, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Item No. 5

Adoption of Articles of Association as per the provisions of the Companies Act, 2013:

To consider and, if thought fit, to pass with or without modification, the following Resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Section 14, 15 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to adopt the new set of Articles of Association containing, inter-alia, Article no. 1 to Article no. 142 in place of existing Articles of Association containing Article No. 1 to Article no. 137 as available for inspection in the meeting and at the registered office of the company during working hours.

RESOLVED FURTHER THAT Mr. Parmod Sagar, Managing Director & CEO, Mr. Sanjeev Bhardwaj, Chief Financial Officer and/or Mr. Sanjay Kumar, Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Item No. 6

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, 2019.

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

Sanjay Kumar
Company Secretary
(ACS-17021)

Place: Gurugram
Date : 31 July, 2018

Notes:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 4 to 6 above is annexed hereto. The relevant details of the Director seeking 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 8th 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, 28 August, 2018 to Tuesday, 4 September, 2018 (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, 2018 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 28 August, 2018.

      (ii) To all Members in respect of shares held in physical form, whose names are on the Company's Register of Members on 28 August, 2018.

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 8th AGM by electronic means and the business may be transacted through the e-voting services provided by National Securities Depository Ltd. ('NSDL').

Members holding shares in either physical or dematerialized form as on the Cut-off Date of 3 September 2018 may cast their votes electronically. The e-voting period for the Members who hold shares as on the cut-off date commences on **Friday, 7 September, 2018 (9.00 A.M.) and ends on Sunday, 9 September, 2018 (5.00 P.M.).** The e-voting module shall be disabled by NSDL for voting thereafter.

The instructions for e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

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

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

ii. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

iv. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Your password details are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(c-i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(c-ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

vi. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

(a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

(b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

(c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

ix. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

i. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

ii. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

iii. Select "EVEN" of company for which you wish to cast your vote.

iv. Now you are ready for e-Voting as the Voting page opens.

v. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

vi. Upon confirmation, the message "Vote cast successfully" will be displayed.

vii. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

viii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

A. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to scrutinizer.orl@gmail.com with a copy marked to evoting@nsdl.co.in.

B. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

C. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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 3 September, 2018 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. 3 September, 2018, may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using “Forgot User Details/ Password” option available on 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 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, 10 September, 2018.

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. Statutory Auditors were appointed during the 7th AGM held on 25 September, 2017 for a period of 5 years subject to their ratification by shareholders every year as per the provisions of the Companies Act, 2013. However as per the amended provisions of the Companies (Amendment) Act, 2017 which were notified on 7 May, 2018 Company is not required to ratify the appointment of Auditor at every annual general meeting, therefore Company is not moving the resolution for ratification of auditor at the annual general meeting.

13. **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.

14. **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 and under "Investor Relations" Section on the website of the Company, www.orientrefractories.com.

15. 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.

16. **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.

17. Electronic copy of the Annual Report for 2017-18 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 2017-18 are being sent in the permitted mode.

18. 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 re-appointment at the forthcoming Annual General Meeting

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

Name of Director	**Mr. Parmod Sagar**
Director Identification Number (DIN)	06500871
Date of Birth	4 September, 1965
Date of Appointment	4 March, 2013
Expertise in specific functional areas	Techno Commercial (Operation & Marketing)
(Management, Operation & Marketing)	in Refractory Industry
Qualifications	B-Tech (Mechanical)
Relationships between Directors inter-se	None
No. of shares held in the Company	13,698
List of companies in which Directorship held as on	None
31 March, 2018 (excluding foreign, private and Section 8 companies)	Orient Refractories Limited
Chairman/ Member of the Mandatory Committees of the Board of the companies on which he is a Director as on 31 March, 2018	Stakeholders Relationship Committee- Member

Explanatory Statement under Section 102 of the Companies Act, 2013 relating to Special Business mentioned in the Notice convening the 8th Annual General Meeting

Item No. 4

The Companies Act, 2013, has prescribed a new format of Memorandum of Association ("MOA") for public companies limited by shares. Accordingly, with a view to align the existing MOA of the Company with Table A of the Schedule I of the Act and in accordance with Section 4 and 13 of the Act, it is proposed to alter the MOA of the Company by merging and retaining the Objects under Clause III (C) – "The Other Objects are" with Clause III (B) – "The Objects Incidental or Ancillary to the attainment of the Main Objects are" to the extent possible and also to rename and renumber the Clause III (A) and III (B) of the Object Clause.

The Board at its meeting held on 31 July, 2018 has approved alteration of the MOA of the Company and recommends the Special Resolution set forth in Item No. 4 of the Notice for approval of the Members. The proposed draft MOA is being uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM. None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the resolution except to the extent of their shareholding, if any, in the Company.

Item No. 5

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AOA are no longer in conformity with the Act.

On 12 September, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on 26 March, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal"). With the coming into force of the Act, several regulations of the existing AOA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to replace wholly the existing AOA by a new set of Articles. The new AOA to be substituted in place of the existing AOA are based on "Table-F" of the Act which sets out the model articles of association for a company limited by shares.

Pursuant to Section 14 of the Act, the consent of the Members by way of Special Resolution is required for alteration of AOA of the Company. The Board recommends the Special Resolution set forth in Item No. 5 of the Notice for approval of the Members. The proposed new draft AOA is being uploaded on the Company's website for perusal by the Members. Further, a copy of the proposed set of new AOA of the Company would be available for inspection for the Members at the Registered Office/Corporate

Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 a.m. to 5.00 p.m. till the date of AGM. The aforesaid documents are also available for inspection at the AGM. None of the Directors or Key Managerial Personnel of the Company including their relatives is interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 6

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 2018-19. 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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31 March, 2019. None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives 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.

By Order of the Board

Sanjay Kumar
Company Secretary
(ACS-17021)

Place: Gurugram
Date : 31 July, 2018

BOARD'S REPORT

Dear Shareholders,

Your Directors are pleased to present the 8th Annual Report of Orient Refractories Limited (the "Company") along with the audited financial statements for the financial year ended 31 March, 2018.

1. FINANCIAL RESULTS

(Amount in Rs. Lacs)

Particulars	**2017-18**	**2016-17**
Gross revenue from operations	63,559.30	55,620.32
Total expenditure before finance cost and depreciation	**50,854.31**	**45,284.23**
Operating Profit	**12,704.99**	**10,336.09**
Add: Other income	1,062.23	826.28
Profit before finance cost, depreciation, exceptional items and taxes	**13,767.22**	**11,162.37**
Less: Finance costs	0.00	0.00
Profit before depreciation, exceptional items and taxes	13,767.22	11,162.37
Less: Depreciation	682.69	630.74
Profit/(Loss) before exceptional items & tax	13,084.53	10,531.63
Add/(Less): Exceptional Items	0.00	0.00
Profit before taxes	**13,084.53**	**10,531.63**
Less: Tax Expense	4,501.21	3,640.74
(A) Profit/(Loss) after taxes	8,583.32	6,890.89
(B) Total other comprehensive income	(14.43)	(29.08)
(C) Total comprehensive income for the period [A + B]	8,568.89	6,861.81
Retained Earnings: Balance brought forward from the previous year	**26,125.87**	**21,360.71**
Add: Profit for the period	8,583.32	6,890.89
Add: Other Comprehensive Income recognised in Retained Earnings	(14.43)	(29.08)
Balance Which the Directors have apportioned as under to:	**34,694.76**	**28,222.52**
(i) Dividend on Ordinary Shares	3,003.48	1,742.02
(ii) Tax on dividends	611.44	354.63
Total Appropriations	3,614.92	2,096.65
Retained Earnings: Balance to be carried forward	**31,079.84**	**26,125.87**

Footnote:

The Company has adopted Indian Accounting Standard ('Ind AS') with effect from 1 April, 2017 and accordingly these financial results along with the comparatives have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.

2. COMPANY PERFORMANCE AND OPERATIONS

The Company has shown significant growth during the year 2017-18. The revenue during the year was Rs. 62,678.77 lacs (net of excise duty) as compared to Rs. 51,938.77 lacs (net of excise duty) in 2016-17, growth of 20.67%. Profit before tax increased by 24.24% as compared to previous year 2016-17.Profit before tax is Rs. 13,084.53 lacs in current year (Previous year Rs. 10,531.63 lacs).

3. MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL REVIEW

Your Company 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.

A refractory material is a material that retains its strength at high temperatures. Refractories are made of natural and manmade materials, usually non-metallic or combinations of other compound and minerals. Refractories material can resist high temperature without undergoing physical and chemical changes while remaining in contact with molten slag, metal and gases. 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. The steel industry accounts about 75% of consumption of refractory materials, with cement (12%), non-ferrous (6%) petrochemicals (4-5%) and glass (3%) making up the remainder. ORL supplies only to steel industries.

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 35.43 % during the year 2017-18. 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.

ABOUT PARENT COMPANY-OVERVIEW OF RHI MAGNESITA N.V.

RHI Magnesita N.V. is global leader in refractories with largest number of locations around the world. RHI Magnesita N.V. has a talented team of 14,000 employees across 40 countries control the shipment of refractory products in more than 180 countries worldwide. RHI Magnesita N.V. provided its customers with a broad range of customized solutions and comprehensive packages for steel production consisting of refractories, machinery, flow control system and full line solution.

RHI Magnesita N.V. produces and sells refractory products used in high-temperature industrial processes worldwide. RHI Magnesita N.V. operates through steel, industrial, and raw materials segments. The company also provides magnesia spinal, dolomite-magnesia, magnesia-chrome, alumina, alumina silicate, mortars for the cement industry, shaped products based on silicon carbide, magnesia, zirconium, fireclay, unshaped refractories, high-temperature insulation, ceramic and metallic anchoring systems, unshaped products and ceramically bonded bricks used in glass melting process. In addition, it offers bricks and mixes, prefab components, as well as special machinery, repair systems and technical equipment for refractory products, products and services for the steel industry processes. Shares of RHI Magnesita N.V. is listed on London Stock Exchange and has annual sales of Euro 2.67 billion as at 31 December, 2017 and is the largest vertically integrated manufacturer of refractory products world-wide.

RHI Magnesita has technological leadership with close to market R&D facilities and tailor made products for steel, cement and glass industries.

RHI AG had acquired Magnesita in year 2016. RHI Magnesita is the global leader in the refractory business in terms of revenue. The merger had enabled RHI to expand its geographical footprint, thus giving access to global mining network by providing access to the mines in America.   RHI Magnesita group has three flagship companies in India, RHI Clasil Private Limited, RHI India Private Limited and Orient Refractories Limited.

BUSINESS ENVIRONMENT

i. Global Economy

According to World Steel Association, steel output in 2017 was 1.69 billion tonnes up to 5.3% for 2016. Steel output in European Region increase by 4.1% as compared to 2016. In Americas the steel output growth was 4.6% year to year basis. After few years of decline, the US steel industry recovered on the back of higher demand, stronger economy activity. CIS country output was flat in the year. Market environment in Asia Pacific is dominated by China, India steel output increased by 6.2% from 2016.

The global refractories market size was USD 28.72 billion in 2016 and is projected to reach USD 36.17 billion by 2022, at a CAGR of 3.89% between 2017 and 2022. By volume, its market size is estimated to grow from 46.28 MN tons in 2016 to 56.83 MN tons by 2022, at a CAGR of 3.45% between 2017 and 2022. Asia-Pacific is the global forerunner in refractories market, in terms of value and volume, and the trend is expected to continue till 2020. The countries in this region such as China and India are the fastest-growing markets for refractories due to increasing usage of refractories in iron & steel, cement, glass, non-ferrous metals, and other industries.

China is a major supplier for inputs to refractory material and has been imposing heavy taxes on mining and export of refractory products and raw materials including magnesium used in production of refractory products. The new environment tax policy in China has forced raw material suppliers there to scale down production, which has affected even the availability of finished goods. India's refractory industry sources almost half of its raw material from China. This has led to a slump in the import of raw material from China, leaving domestic refractory makers struggling to meet demand from key user industries such as steel, glass, cement and aluminum.

This has resulted in sharp increase in imported raw material costs and consequently increase in the refractory material prices, thus increasing product prices and the market size and growth stated above.

ii. Indian Economy

India's GDP growth was 6.5% in 2017-18. The expected growth in 2019 is >7%. Industrial growth was strong, this was driven by growth in capital goods, infrastructure and construction and FMCG products. Consumption in rural sector is growing mainly growth of tractor sales. Together these trends point to an economic recovery that is steady and broad based.

India's refractory industry has been growing faster over the couple of years due to increase in steel production and demand after slowdown in year 2013-15. India's steel industry consumes nearly 70% of the country's refractories output. In India, the infrastructure push is expected to drive steel growth and the government's proactive approach to confer infrastructure status to housing augurs well for steel industry and therefore the refractory industry as such. Refractories constitute around 2~3% of the total steel manufacturing cost. Typically, the demand for refractories is directly correlated to steel production. Steel production in India is forecast to double by 2031, with growth rate expected to go above 10 per cent in financial year 2018. Steel manufacturing output of India is expected to increase to 128.6 MT by 2021, accelerating the country's share of global steel production from 5.4 % in 2017 to 7.7 % by 2021.

Barring misfortunes within the banking system the recapitalisation initiative should spur lending, especially to small and medium enterprises that rarely have access to other forms of funding, specifically the equity and bond markets. We believe that this momentum will be sustained in the coming year and expect GDP growth to rise >7% . Oil prices that surged last year have begun to moderate and with new shale supplies kicking in, should hopefully soften over the coming months. Infrastructure, oil and gas and automotives would drive the growth of the industry. Ministry of Steel plans to set up Steel Research and Technology Mission in India to promote R&D activities in the sector.

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

India's steel output is expected to grow at a CAGR of 8.9 per cent during 2017-21 and India is expected to become top global steel producer

The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tons (MT) steelmaking capacity and 160 kgs per capita steel consumption by 2030.

As per Ministry of Steel's forecast, 3.2 Million Tons refractories raw material will be needed by 2030-31 to fulfill steel production requirements. With steel industry being one of the most significant consumers of refractories, the demand for refractories to rise with increasing production of steel. Despite being a small portion of the total steel manufacturing costs, refractories are critical to get the desired size, shape and quality of the final product. Overall, the refectories industry is dependent on import for key raw materials i.e. alumina, magnesia bauxite, magnetite, binders, zirconia, etc. As per Euromonitor report steel production is expected to grow at CAGR of 7.5% during the period 2016 to 2021. Further, as per Euromonitor report cement production is expected to grow at CAGR of 5% during the period 2016-2021.

The reduction in supplies from China had immediate consequences for the market prices of a number of refractory minerals, including fused alumina, bauxite and graphite.

So far in June' 2018, the prices for graphite and WFA have remained largely stable, while bauxite and BFA prices have shown a slight decline on the spot market recently because financially-tight sellers sought to move material to secure much-needed cash flow. Most refractory raw materials, such as magnesia and graphite, have kept firm this year on continued environmental regulations restricting operations in China.

GOVERNMENT INITIATIVES

Some of the other recent government initiatives in this sector are as follows:

Government of India's focus on infrastructure and restarting road projects is aiding the boost in demand for steel. Also, further likely acceleration in rural economy and infrastructure is expected to lead to growth in demand for steel.

The Union Cabinet, Government of India has approved the National Steel Policy (NSP) 2017, as it seeks to create a globally competitive steel industry in India. NSP 2017 targets 300 million tonnes (MT) steel-making capacity and 160 kgs per capita steel consumption by 2030.

The Ministry of Steel is facilitating setting up of an industry driven Steel Research and Technology Mission of India (SRTMI) in association with the public and private sector steel companies to spearhead research and development activities in the iron and steel industry at an initial corpus of Rs 200 crore (US$ 30 million).

ROAD AHEAD

India is expected to overtake Japan to become the world's second largest steel producer soon, and has envisaged achieving 300 MT of annual steel production capacity by 2030.India is expected to become the second largest steel producer in the world by 2018, based on increased capacity addition in anticipation of upcoming demand, and the new steel policy, that has been approved by the Union Cabinet in May 2017, is expected to boost India's steel production. Huge scope for growth is offered by India's comparatively low per capita steel consumption and the expected rise in consumption due to increased infrastructure construction and the thriving automobile and railways sectors.

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 Magnesita N.V. , we see good prospects and strong competitive advantage for ORL India going ahead.

Your Directors are hopeful to sustain the same growth in year 2018-19.

4. EXPANSION OF PRODUCTION CAPACITY

The Company, to meet growing demand of refractory worldwide, through its internal fund expanded its existing production capacity of isostatic products from 9,300 tons per year to 11,700 tons per year at Bhiwadi. The new plant has capacity to produce 2,400 tons per year, which can be enhanced to 4,800 tons per year in second phase. The plant was successfully commissioned on 17 May, 2018 and the commercial production was started from June'2018. The actual project cost was Rs. 1,760 lacs.

5. EXPORT HOUSE STATUS

Your Company enjoys the status of "One Star Export House".

6. DIVIDEND

The Board recommended a dividend of Rs. 2.50 per equity share on 12,01,39,200 equity shares of Re. 1.00 each for the year ended 31 March, 2018 (previous year Rs. 2.50 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 10 September, 2018. The dividend will be paid by 30 September, 2018.

The Register of Members and Share Transfer Books will remain closed from Tuesday, 28 August, 2018 to Tuesday, 4 September, 2018 (both days inclusive) for the purpose of AGM and payment of the dividend for the financial year ended 31 March, 2018.

7. SHARE CAPITAL

The paid up equity share capital as on 31 March, 2018 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.

8. RESERVES

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

9. MATERIAL CHANGES AND COMMITMENTS

In terms of Section 134(3)(l) of the Companies Act, 2013, no material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

10. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control systems in place, and also has reasonable assurance on authorizing, recording and reporting transactions of its operations. The Company has a well-placed, proper and adequate internal controls environment, commensurate with its size, scale and complexities of its operations. The Company had already developed and implemented a framework for ensuring internal controls over financial reporting. This framework includes entity level policies, processes and operating level standard operating procedures. Internal control systems are an integral part of your Company's corporate governance structure. These have been designed to provide reasonable assurance with regard to inter-alia (a) recording and providing reliable financial and operational information; (b) complying with the applicable statutes; (c) safeguarding assets from unauthorized use; (d) executing transactions with proper authorization, and ensuring compliance with corporate policies; (e) Prevention and detection of frauds / errors and (f) Continuous updating of IT systems. The Company's management has assessed the effectiveness of the Company's internal control over financial reporting as of 31 March, 2018.

The Audit Committee reviewed the reports submitted by the Management, Internal Auditors and Statutory Auditors. Based on their evaluation (as defined in section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, 2015), the Company's Audit Committee has concluded that, as of 31 March, 2018, the Company's internal financial controls were adequate and operating effectively.

11. HUMAN RESOURCES

Employees being prime force, the Company give equal emphasis on employees' development and their engagement. Our people are the most important resource we have. 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. We are creating numerous opportunities for our employees to develop including international development paths and special initiatives for the future management of our company. Last year our main focus of in-house trainings was on interpersonal skills, behavioural attributes, customer focused culture, lean implementation and 5's at shop floor. The Company endeavours to keep the employees motivation high level by providing congenial & respectful work atmosphere and rewarding/remunerating effectively. 100% safety of our employees is one of the important operative targets for ORL. Various initiatives have been launched to engage employees. Communicating and reaching out to employees at all levels is being done by using various mass media techniques. 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.

12. SUBSIDIARY COMPANY

The Company does not have any subsidiary.

13. MERGER OF RHI AG & MAGNESITA REFRATÁRIOS S.A.

RHI Ag (ultimate holding company) entered into a share purchase agreement with a group of shareholders controlling Magnesita Refratários S.A., a corporation incorporated under the laws of Brazil, ("Magnesita") pursuant to which RHI, Ag agreed to purchase 50% plus one share of the issued and outstanding share capital of Magnesita (the "Acquisition of Control"). The merger of Magnesita Refratários S.A. and RHI Ag was implemented in two steps of internal reorganization.

As a first step of reorganization substantially all of RHI's assets, rights and permits, obligations and legal relations were transferred to RHI Feuerfest GmbH through universal succession by way of a de-merger for absorption. This means that all legal relations with RHI Ag were transferred to RHI Feuerfest GmbH through universal succession as of the date of legal effectiveness of the demerger on 17 October, 2017.

RHI Feuerfest GmbH is responsible for operative business. RPT limit approved by members of the Company also transferred to RHI Feuerfest GmbH.

As a second step RHI Ag was merged with the Dutch Legal Entity, i.e. RHI Magnesita N.V., by way of a cross-border merger, whereby all assets, rights and permits, obligations and legal relations of RHI Ag remaining after the de-merger were transferred to RHI Magnesita N.V. through universal succession by way of a merger by absorption. After merger with RHI Magnesita N.V., RHI Ag ceased to exist as a legal entity. The merger and the completion of the acquisition of control occurred in October' 2017.

14. AMALGAMATION OF RHI INDIA PRIVATE LIMITED AND RHI CLASIL PRIVATE LIMITED WITH AND INTO THE COMPANY

The Board of Directors of the Company at its meeting held on 31 July, 2018 granted its in-principle approval to the scheme of amalgamation of RHI India Private Limited (**RHI India**) and RHI Clasil Private Limited (**RHI Clasil**) (together, the **Merging Entities**) with and into the Company subject to approval of the shareholders and creditors of the three companies, the Stock Exchanges, the Securities and Exchange Board of India, the National Company Law Tribunal and other regulatory authorities. In this regard, the Board of Directors has approved the share exchange ratio i.e. for every 100 equity shares of face value of Rs. 10 each of RHI India, issue of 7,044 equity shares of face value of Re. 1 each of the Company and for every 1,000 equity shares of face value of Rs. 10 each of RHI Clasil, issue of 908 equity shares of face value of Re. 1 each of the Company.

The Board of Directors is of the opinion that the transaction is aligned with the Company's best interests and would entail various benefits, including: (a) simplification of the corporate structure and consolidation of the India businesses of the RHI Magnesita N.V. (the ultimate holding company) group; (b) establishing a comprehensive refractory product portfolio; (c) realizing business efficiencies, inter alia, through optimum utilization of resources due to pooling of management, expertise, technologies and other resources of the companies; (d) improved allocation of capital and optimisation of cash flows contributing to the overall growth prospects of the combined entity; (e) creation of a larger asset base and facilitation of access to better financial resources and (f) enhanced shareholder value pursuant to economies of scale and business efficiencies.

The Company and the merging entities are involved in similar business activities, while the Company has carved a niche in the refractory products market, RHI Clasil manufactures and markets other refractories and allied products and RHI India is predominantly engaged in trading and marketing of refractories and allied products. Accordingly, the integration of the businesses of the Company and the merging entities would further augment the Company's leadership position in the Indian refractories market, with presence at all levels of the value chain, including manufacture, marketing and trading of refractories and allied products. The transaction is expected to enhance the Company's long-term growth prospects and competitiveness, thereby benefitting all the stakeholders of the Company, particularly its shareholders and employees.

RHI India and RHI Clasil are related parties of the Company. This envisaged transaction constitutes a related party transaction as all the three companies are part of the RHI Magnesita N.V. group of companies. For the parent company RHI Magnesita N.V., the global leading supplier of refractory products, systems and services, the merger of the Indian organisations is an important step towards executing the strategic pillar "Markets", which focuses on achieving worldwide presence with strong local organisations and solid market positions in all major markets. The envisaged amalgamation is a key measure to build one strong local organisation in India through consolidating and streamlining the local structures. This will enable RHI Magnesita N.V. to seize growth opportunities in the strategically important growth market India even more effectively and efficiently in the future.

15. POSTAL BALLOT

The Company had conducted postal ballot through notice dated 15 March, 2018 for (a) Amendment in the Memorandum of Association of the Company and (b) Shifting of registered office of the Company. The Company declared the result dated 26 April, 2018 and both the resolutions were approved by the shareholders of the Company. The result of voting is provided in the Corporate Governance Report.

16. CHANGE OF REGISTERED OFFICE OF THE COMPANY

The Regional Director, Northern Region, was pleased to pass an order dated 30 July, 2018 approving shifting of the registered office of the Company from National Capital Territory of Delhi to the State of Maharashtra. Accordingly the registered office of the Company will be shifted to Mumbai. With effect from 1 August, 2018, the address of new registered office is C-604, Neelkanth Business Park, Opposite Railway Station, Vidhyavihar (West), Mumbai, Maharashtra - 400 086.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors to the best of their knowledge confirm that:

i. that in the preparation of the annual accounts for the year ended 31 March, 2018, the applicable accounting standards have been followed and there are no material departures from the same;

ii. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2018 and of the Profit of the Company for that period;

iii. the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. the Directors have prepared the annual accounts of the Company on a "going concern" basis;

v. the Directors have laid down internal financial controls to be followed by the Company and the such internal financial controls are adequate and are operating effectively and

vi. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

18. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts /arrangements / transactions entered by the Company during the financial year with related parties were in ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contracts /arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC - 2 is not applicable to your Company.

The policy on materiality of related party transactions and dealing with related party transactions are approved by the Board and can be accessed on the Company's website at the link: http://www.orientrefractories.com/policies.htm. Members can refer Note no. 30 to the financial statements which set out related party disclosures.

The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions. Prior omnibus approval is obtained for related party transactions which are of repetitive nature and proposed to be entered in the ordinary course of business and at arm's length during the financial year. All related party transactions are placed before the Audit Committee for review and approval.

19. CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors of the Company has approved a Corporate Social Responsibility (CSR) Policy based on the recommendation of the CSR Committee. The Board has formed a committee on CSR in accordance with Companies Act, 2013. The composition of the same has been given in Corporate Governance Report. The CSR policy of the Company is available on the Company's website and can be accessed on the Company's website at the link: http://www.orientrefractories.com/policies.htm.

In the year 2017-18, the Company was required to spend Rs. 212.23 lacs (including unspent amount of Rs. 30.13 lacs for the financial year 2016-17) towards CSR activities, however the Company spent Rs. 184.06 lacs towards the CSR activities.

During the year the Company has kept the provision for spending fund on skill development programme as recommended by CSR Committee, but due to delay in project the programme could not be started. However, the Company spent more than the prescribed amount for this year towards CSR activities. The initiatives undertaken by the Company on CSR activities during the year is set out in **Annexure - I**.

20. RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company has framed a Risk Management Policy to identify and access the key business risk areas and a risk mitigation process. The policy aims to ensure resilience for sustainable growth and sound corporate governance by having an identified process of risk identification and management in compliance with the provisions of the Companies Act, 2013. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's Activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The Risk Management Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. There are no risks, which in the opinion of the Board threaten the existence of the Company.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

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.

The shareholders of the Company in their 7th Annual General Meeting hold on 25 September, 2017 appointed

- Ms. Buzzi as director of the Company and
- Mr. Parmod Sagar, as Managing Director and Chief Executive Office of the Company for a fresh term of 5 years effective from 4 March, 2018.

In accordance with provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Parmod Sagar, Whole Time Director, designated as Managing Director & CEO of the Company, retires by rotation at the ensuing AGM and being eligible seeks re-appointment. The Board recommends his re-appointment.

Brief profile of the Director being re-appointed as required under Regulations 36(3) of Listing Regulations, 2015 and Secretarial Standard on General Meetings are provided in the notice for the forthcoming AGM of the Company.

The Company has received declaration from all Independent Directors of the Company confirming that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed thereunder as well as Regulation 16(1)(b) of the Listing Regulations, 2015.

The Company has complied with the requirements of corporate governance as stipulated under the Listing Regulations, 2015 and accordingly, the Report on Corporate Governance forming part of this Annual Report.

22. 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 & CEO, 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.

23. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Company has devised the Nomination and Remuneration Policy for the selection, appointment and remuneration of the Directors and Key Managerial personnel and also remuneration of other employees who have the capacity and ability to lead the Company towards achieving sustainable development. The Nomination and Remuneration Policy of the Company is available on the Company's website and can be accessed on the Company's website at the link: http://www.orientrefractories.com/policies.htm

The Criteria for appointment and remuneration of Directors is as under:

(a) Criteria for Appointment of Managing Directors / Whole Time Director / Director:

The Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise and experience particularly in refractory industry, leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

(b) Criteria for Appointment of Independent Director:

The Independent Director shall be of high integrity with relevant expertise and experience so as to have as diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

24. PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to applicable provisions of the Act and the corporate governance requirements as prescribed by Listing Regulations, 2015.

The performance of the board was evaluated by the board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc. The Nomination and Remuneration Committee had evaluated the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

Performance evaluation of independent directors was carried out by the entire board, excluding the independent director being evaluated. A meeting of the independent directors, with Dr. Vijay Sharma as the Chairman, was held on 30 May, 2017, to review the performance of the non-independent directors, the Board as a whole and the Chairman on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees, and individual directors was also discussed.

25. AUDITORS

Statutory Auditor

M/s. Price Waterhouse, Chartered Accountants, LLP (Firm Registration No. 012754N/N500016) were appointed as Statutory Auditors of the Company at the 7 AGM held on 25 September, 2017 for a period of 5 years for auditing the accounts of the Company from the conclusion of 7 AGM till the conclusion of 12 AGM of the Company (from financial year 2017-18 to financial year 2021-22), subject to ratification of their appointment at every annual general meeting in terms of the provisions of Companies Act, 2013. However as per the amended provisions of the Companies Act, 2017 notified on 7 May, 2018 Company is not required to ratify the appointment of auditors at every annual general meeting, therefore, it is not proposed to ratify the appointment of auditors at the ensuing AGM.

Internal Auditor

The Board has appointed M/s. Chaturvedi & Partners as an Internal Auditors for the financial year 2017-18 under Section 138 of the Companies Act, 2013 and they have completed the Internal Audit as per the scope as defined by the Audit Committee.

Secretarial Auditor

The Company has appointed M/s. Naresh Verma & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2017-18 as required by Section 204 of the Companies Act, 2013 and rules made thereunder. The Company provided all assistance and facilities to the Secretarial Auditors for conducting their audit. The Secretarial Audit Report for the financial year ended 31 March, 2018 is annexed herewith marked as **Annexure - II**.

Cost Auditor

As per Section 148 of the Companies Act, 2013, 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, 2019.

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 and taxes payable to the Cost Auditors for the Financial Year ending 31 March, 2019.

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, 2018 will be filled within statutory time limit.

26. AUDITOR'S QUALIFICATION

There are no qualifications in the reports of the Statutory Auditor and Secretarial Auditor except one observation by Secretarial Auditor's regarding short fall in Corporate Social Responsibility expenditure, which is explained elsewhere in this report. There are no frauds reported in the reports of the Auditors as mentioned under sub-section (12) of Section 143 of the Act.

27. INDUSTRIAL RELATIONS

The industrial relations with staff and workers during the year under review continue to be cordial.

28. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of your Company during the year under review.

29. DISCLOSURES

i. Vigil Mechanism /Whistle Blower Policy

The Vigil Mechanism of the Company which also incorporate a whistle blower policy in the terms of SEBI (Listing Obligations and Disclosure Requirements), 2015 deals with instances of fraud and mismanagement, if any. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: http://www.orientrefractories.com/policies.htm

ii. Audit Committee

The Audit Committee comprised of two independent non-executive directors viz. Dr. Vijay Sharma (Chairman) & Mr. R. S. Bajoria and one non-executive director viz. Mr. Erwin Jankovits. All the recommendations made by the Audit Committee were accepted by the Board.

iii. Number of Board Meeting

The Board of Directors of the Company met five times in the year, the details of which are provided in the Corporate Governance Report.

iv. Particulars of loans given, investment made, guarantees given and securities provided

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

v. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are provided in **Annexure - III**.

vi. Extract of Annual Return

Extract of annual return of the Company is annexed herewith as **Annexure - IV** to this report.

vii. Particulars of Employees and related disclosures

The information 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 is attached as **Annexure - V**.

vii. Corporate Governance Report

Report on Corporate Governance is annexed herewith as **Annexure - VI** to this report.

viii. 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. 25 September, 2017), with the Ministry of Corporate Affairs.

ix. Listing with Stock Exchanges:

The Company confirms that it has paid the annual listing fees for the year 2018-19 to NSE and BSE where the Company's shares are listed.

x. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has formulated and implemented a policy of prevention of sexual harassment at the workplace with mechanism of loading/redressal complaints. During the year under review, there were no complaints reported to the Board. The Policy may be accessed on the Company's website at the link: http://www.orientrefractories.com/policies.htm

xi. Compliance with the Institute of Company Secretaries of India ("ICSI") Secretarial Standards

The relevant Secretarial Standards issued by the ICSI related to the Board Meetings and General Meeting have been complied with by the Company.

xii. No disclosure or reporting is required in respect of the following items as there were no transaction on these items during the year under review

a. Details relating to deposit and unclaimed deposits or interest thereon.

b. Issue of equity shares with differential rights as to dividend or voting.

c. Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.

d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern and Company's operation in future.

30. CAUTIONARY STATEMENTS

Certain statements in the "Director's Report & Management Discussion and Analysis" describing the Company's views about the Industry, expectations/ predictions, objectives etc., may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the Statement. Company's operations may inter-alia affect with the supply and demand stipulations, input prices and their availability, changes in Government regulations, taxes, exchange fluctuations and other factors such as Industrial relations and economic developments etc. Investors should bear the above in mind.

31. ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

The Boards of Directors also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Last but not least, your Directors wish to place on record their warm appreciation to you for your continuous support and encouragement.

For and on behalf of the Board of Directors

Dr. Vijay Sharma
Chairman
(DIN: 00880113)

Place : Gurugram
Date : 31 July, 2018

ANNEXURE I

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.	Refer Section Corporate Social Responsibility in this report. 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. The Overview of CSR projects and programmes are available at: http://www.orientrefractories.com/csr.htm
2.	The Composition of the CSR Committee	1. Dr. Vijay Sharma (Chairman) 2. Mr. R S Bajoria 3. Mr. Erwin Jankovits 4. Mr. Parmod Sagar
3.	Average net profit of the Company for last three financial years	Rs. 9,105.09 lacs
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs.182.10 lacs
5.	Details of CSR spent for the financial year.	
	(a) Total amount to be spent for the financial Year	Rs. 212.23 lacs. (including unspent amount of Rs. 30.13 lacs for the financial year 2016-17)
	(b) Amount unspent, if any	Rs. 28.17 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**

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

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

Place: Gurugram
Date : 31 July, 2018

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 (2) Specify the State and 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	145.00	145.00	145.00	Direct
2.	Contribution to Department of Biological Sciences & Bioengineering, IIT Kanpur	Promoting Education		0.21	0.21	0.21	
3.	Mukhya Mantri Jal Swavlamban Abhiyan	Maintaining quality of Soil, Air and Water	Alwar, Rajasthan	3.32	3.32	3.32	
4.	Government Sr. Secondary School	Promoting Education	Promoting Education	4.00	3.84	3.84	
5.	Mewat Balika Residential Vidyalya			0.60	0.53	0.53	
6.	Organise Health Check up Camps	Promoting health care including preventive healthcare		10.00	9.82	9.82	
7.	Maintenance of Ambulance donated to a trust			3.00	2.91	2.91	
8.	Road Construction	Rural development project		14.00	13.86	13.86	
9.	Miscellaneous	Administrative Expenses		5.00	4.57	4.57	
			Total	**185.13**	**184.06**	**184.06**	

ANNEXURE II

Secretarial Audit Report

for the financial year ended 31 March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule No.9 of the Companies (Appointment and Remuneration of 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 Company'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, 2018 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 the Company for the financial year ended on 31 March, 2018 and made available to us, 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;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;

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;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009#,

   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.

We report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except to the extent stated hereunder:-

Observations:

The expenditure made by the company towards CSR activities during the year ended 31 March, 2018 is less than the prescribed amount.

We further report that, the compliance by the company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of account has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

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 during the audit period:-

a. The Company conducted a 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. 9000 lacs for the year 2016-2017 and (ii) Approval of Material Related Party Transaction with RHI Ag for the year 2017-2018, 2018-2019 and so on.

b. The Company conducted a postal ballot through notice dated 15 March, 2018 for (i) Shifting of registered office of the company from NCT of Delhi to the State of Maharashtra (ii) Amendment in the Memorandum of Association.

And there were no other specific events / actions in pursuance of above referred laws, rules, regulations, guidelines standards etc. having a major bearing on the company's affairs.

For Naresh Verma & Associates
Company Secretaries

Place : Gurugram
Date : 31 July, 2018

Naresh Verma
CP: 4424, FCS: 5403

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

Annexure-A

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

Place : Gurugram
Date : 31 July, 2018

Naresh Verma
CP: 4424, FCS: 5403

ANNEXURE III

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]

A. ENERGY CONSERVATION PROJECTS IMPLEMENTED IN THE PLANT

i. Productivity enhancement in 400 T (new) by 40 %

Double cavity mould was installed in 400T (new) press by which productivity of the press was enhanced by 60% and consequently energy consumption per tonne of production was reduced.

ii. Reduction of HSD Oil consumption in DG Sets

Synchronisation of all 8 nos. DG Sets, used for Power back up, with automatic power changeover was done which resulted in reduction in fuel consumption.

In May' 2018, fuel consumed by the DG sets for 8.5 hours of running due to state power supply load shedding was 8,000 liters. Whereas after the DG synchronisation, in the month of June only 4,000 Liters of fuel was consumed for 8 hours running of the DG sets during load shedding of State power supply.

iii. Reduction in energy consumption by use of LED lights

Conventional lights have been replaced with energy efficient LED lights in the office as well as plant which has reduced energy consumption on plant lighting by 40%.

iv. Alternate fuel and cleaner fuel

Shuttle Kilns in the plant are being converted from oil-firing type to gas firing type. We have started with 2 nos. Slide Gate Shuttle kilns where oil burners and pipelines have been replaced with gas burners, gas valve train and pipelines. Natural gas shall be used as an alternate fuel which is a cleaner and environment-friendly fuel. Natural gas skid with gas valve trains have already been installed for the same.

v. Process improvement

Cycle time of drying in electric drier used for drying of precast shapes has been reduced from 45 hours to 35 hours which has reduced the energy consumption as well as cost of drying by 22%.

B. 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.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Rs. Lacs)

Particulars	**2017-18**	**2016-17**
Earnings	14,426.46	10,651.77
Outgo	9,363.40	7,512.25

For On behalf of the Board of Directors

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

Place : Gurugram
Date : 31 July, 2018

ANNEXURE-IV

Form No. MGT 9

Extract of Annual Return as on 31 March, 2018

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	C-604, Neelkanth Business Park, Opp. Railway Station, Vidhyavihar (West), Mumbai, MAHARASHTRA-400086 Tel. No. : +91 22 660 90 600 Fax No. : +91 22 660 90 601 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. : +91-11-40450193-97 Fax No. : +91-11-26812682 E-mail : admin@skylinerta.com Web-site: 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	76.17
2.	Trading of Refractory Items		21.37

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	
A. Promoters									
1. Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Financial Institutions/Banks									
d) Any other……..	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Foreign									
a) Individual/NRI-Individual/Foreign Individual	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Bodies Corporate	8,36,37,771	-	8,36,37,771	69.62	8,36,37,771	-	8,36,37,771	69.62	-
Sub Total (A) (2)	**8,36,37,771**	**-**	**8,36,37,771**	**69.62**	**8,36,37,771**	**-**	**8,36,37,771**	**69.62**	**-**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**8,36,37,771**	**-**	**8,36,37,771**	**69.62**	**8,36,37,771**	**-**	**8,36,37,771**	**69.62**	**-**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	58,82,524	-	58,82,524	4.90	61,83,437	-	61,83,437	5.15	(0.25)
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	36,048	-	36,048	0.03	(0.03)
d) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	68,52,952	-	68,52,952	5.70	61,64,567	-	61,64,567	5.13	0.57
f) Financial Institutions/Bank	44,075	5,000	49,075	0.04	65,405	5,000	70,405	0.06	(0.02)
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Fund/Pension Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	**1,27,79,551**	**5,000**	**1,27,84,551**	**10.64**	**1,24,49,457**	**5,000**	**1,24,54,457**	**10.37**	**0.27**
2. Central Government/State Government/ President of India	-	-	-	-	-	-	-	-	-
Sub Total (B)(2):	-	-	-	-	-	-	-	-	-
1. Non Institutions									
a) i) Individual shareholders holding nominal share capital up to Rs.2 lakhs	1,47,11,971	20,39,176	1,67,51,147	13.94	1,46,72,812	18,35,484	1,65,08,296	13.74	0.20
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	4,23,393	-	4,23,393	0.35	2,17,275	-	2,17,275	0.18	0.17
b) NBFCs Registered with RBI	29,550	-	29,550	0.02	90,648	-	90,648	0.08	(0.05)
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (Holding DRs) (Balancing Figure)	-	-	-	-	-	-	-	-	-
e) Any other (Specify)									
(e-i) Bodies Corporate	24,32,748	26,240	24,58,988	2.05	28,66,345	26,240	28,92,585	2.41	(0.36)
(e-ii) Non Resident Indians	4,54,178	1,074	4,55,252	0.38	6,65,906	1,074	6,66,980	0.56	(0.18)
(e-iii) Resident Indian HUF	4,67,539	-	4,67,539	0.39	4,70,367	-	4,70,367	0.39	(0.00)
(e-iv) Trust	10,000	-	10,000	0.01	19,703	-	19,703	0.02	(0.01)
(e-v) Clearing House/ Members	52,239	-	52,239	0.04	190,578	-	190,578	0.16	(0.12)
(e-vi) Orient Refractories Limited-Unclaimed suspense Account	30,68,770	-	30,68,770	2.55	29,90,540	-	29,90,540	2.49	0.07
(e-vii) Other	-	-	-	-	-	-	-	-	-
Sub Total (B)(3):	**64,85,474**	**27,314**	**2,37,16,878**	**19.74**	**2,21,84,174**	**18,62,798**	**2,40,46,972**	**20.02**	**(0.27)**
Total public shareholding (B)= (B)(1)+(B)(2)+(B)(3)	**1,92,65,025**	**32,314**	**3,65,01,429**	**30.38**	**3,46,33,631**	**18,67,798**	**36,501,429**	**30.38**	**-**
C. Shares held by custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**10,29,02,796**	**32,314**	**12,01,39,200**	**100.00**	**11,82,71,402**	**18,67,798**	**12,01,39,200**	**100.00**	**-**

(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 encumbe-red to total Shares	
1.	Dutch US Holding B.V.	8,36,37,771	69.62	-	8,36,37,771	69.62	-	-
	Total	8,36,37,771	69.62	-	8,36,37,771	69.62	-	-

(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		Cumulative shareholding during the year	
				No. of Shares	% age of total shares of the Company	No. of Shares	% age of total shares of the Company
1.	Pinebridge Investments GF Mauritius Ltd.	At the beginning of the year	1-Apr-17	3,301,512	2.75	3,301,512	2.75
		At the end of the year	31-Mar-18	3,301,512	2.75	3,301,512	2.75
2.	SBI Small And Midcap Fund	At the beginning of the year	1-Apr-17	3,003,749	2.50	3,003,749	2.50
		Sale	7-Apr-17	(73,873)	(0.06)	2,929,876	2.44
		Sale	14-Apr-17	(229,876)	(0.19)	2,700,000	2.25
		Sale	14-Jul-17	(200,000)	(0.17)	2,500,000	2.08
		Sale	6-Oct-17	(66,333)	(0.06)	2,433,667	2.03
		Sale	13-Oct-17	(133,667)	(0.11)	2,300,000	1.91
		Sale	5-Jan-18	(400,000)	(0.33)	1,900,000	1.58
		Sale	9-Mar-18	(200,000)	(0.17)	1,700,000	1.42
		At the end of the year	31-Mar-18	1,700,000	1.42	1,700,000	1.42
3.	Malabar India Fund Limited	At the beginning of the year	1-Apr-17	1,593,600	1.33	1,593,600	1.33
		Sale	14-Apr-17	(7,266)	(0.01)	1,586,334	1.32
		Sale	21-Apr-17	(38,795)	(0.03)	1,547,539	1.29
		Sale	28-Apr-17	(51,036)	(0.04)	1,496,503	1.25
		Sale	5-May-17	(96,503)	(0.08)	1,400,000	1.17
		Sale	7-Jul-17	(300,000)	(0.25)	1,100,000	0.92
		Sale	8-Sep-17	(213,000)	(0.18)	887,000	0.74
		Sale	11-Sep-17	(19,000)	(0.02)	868,000	0.72
		Sale	15-Sep-17	(8,946)	(0.01)	859,054	0.72
		Sale	22-Sep-17	(47,687)	(0.04)	811,367	0.68

S. No.	Shareholder Name	Remarks	Date*	Shareholding		Cumulative shareholding during the year	
				No. of Shares	% age of total shares of the Company	No. of Shares	% age of total shares of the Company
		Sale	6-Oct-17	(11,367)	(0.01)	800,000	0.67
		Sale	3-Nov-17	(28,351)	(0.02)	771,649	0.64
		Sale	17-Nov-17	(56,010)	(0.05)	715,639	0.60
		Sale	24-Nov-17	(315,639)	(0.26)	400,000	0.33
		Sale	1-Dec-17	(42,536)	(0.04)	357,464	0.30
		Sale	22-Dec-17	(19,571)	(0.02)	337,893	0.28
		Sale	29-Dec-17	(42,998)	(0.04)	294,895	0.25
		Sale	5-Jan-18	(15,000)	(0.01)	279,895	0.23
		Sale	12-Jan-18	(279,895)	(0.23)	-	-
		At the end of the year	31-Mar-18	-	-	-	-
4.	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life Balanced Advantage Fund	At the beginning of the year	1-Apr-17	2,350,716	1.96	2,350,716	1.96
		Sale	28-Apr-17	(22,000)	(0.02)	2,328,716	1.94
		Sale	2-Jun-17	(16,232)	(0.01)	2,312,484	1.92
		Sale	9-Jun-17	(11,668)	(0.01)	2,300,816	1.92
		Sale	11-Aug-17	(13,879)	(0.01)	2,286,937	1.90
		Sale	18-Aug-17	(22,121)	(0.02)	2,264,816	1.89
		Sale	15-Sep-17	(14,600)	(0.01)	2,250,216	1.87
		Purchase	29-Sep-17	1,900	0.00	2,252,116	1.87
		Purchase	23-Mar-18	3,600	0.00	2,255,716	1.88
		At the end of the year	31-Mar-18	2,255,716	1.88	2,255,716	1.88
5.	Bajaj Allianz Life Insurance Company Limited	At the beginning of the year	1-Apr-17	-	-	-	-
		Purchase	7-Jul-17	286,000	0.24	286,000	0.24
		Purchase	14-Jul-17	200,000	0.17	486,000	0.40
		Purchase	11-Aug-17	11,948	0.01	497,948	0.41
		Purchase	18-Aug-17	16,100	0.01	514,048	0.43
		Purchase	22-Sep-17	23,500	0.02	537,548	0.45
		Purchase	29-Sep-17	14,000	0.01	551,548	0.46
		Purchase	13-Oct-17	125,000	0.10	676,548	0.56
		Purchase	27-Oct-17	10,000	0.01	686,548	0.57
		Purchase	3-Nov-17	100,000	0.08	786,548	0.65
		Purchase	10-Nov-17	20,000	0.02	806,548	0.67
		Purchase	17-Nov-17	36,000	0.03	842,548	0.70
		Purchase	1-Dec-17	96,000	0.08	938,548	0.78
		At the end of the year	31-Mar-18	938,548	0.78	938,548	0.78
6.	Government of Singapore - E	At the beginning of the year	1-Apr-17	656,570	0.55	656,570	0.55
		At the end of the year	31-Mar-18	656,570	0.55	656,570	0.55
7.	Pinebridge Global Funds - Pinebridge India Equity Fund	At the beginning of the year	1-Apr-17	-	-	-	-
		Purchase	18-Aug-17	6,124	0.01	6,124	0.01
		Purchase	29-Sep-17	200,000	0.17	206,124	0.17
		Purchase	5-Jan-18	405,057	0.34	611,181	0.51
		At the end of the year	31-Mar-18	611,181	0.51	611,181	0.51

S. No.	Shareholder Name	Remarks	Date*	Shareholding		Cumulative shareholding during the year	
				No. of Shares	% age of total shares of the Company	No. of Shares	% age of total shares of the Company
8.	L and T Mutual Fund Trustee Limited-L and T Infrastructure Fund	At the beginning of the year	1-Apr-17	469,809	0.39	469,809	0.39
		Purchase	14-Apr-17	40,000	0.03	509,809	0.42
		Purchase	2-Jun-17	72,900	0.06	582,709	0.49
		Purchase	16-Jun-17	61,391	0.05	644,100	0.54
		Purchase	23-Jun-17	32,520	0.03	676,620	0.56
		Purchase	7-Jul-17	2,149	0.00	678,769	0.56
		Purchase	14-Jul-17	2,729	0.00	681,498	0.57
		Purchase	25-Aug-17	25,218	0.02	706,716	0.59
		Purchase	10-Nov-17	73,469	0.06	780,185	0.65
		Purchase	17-Nov-17	23,816	0.02	804,001	0.67
		Purchase	24-Nov-17	36,525	0.03	840,526	0.70
		Purchase	1-Dec-17	25,563	0.02	866,089	0.72
		Purchase	15-Dec-17	47,436	0.04	913,525	0.76
		Purchase	12-Jan-18	114,948	0.10	1,028,473	0.86
		Purchase	16-Feb-18	1,311	0.00	1,029,784	0.86
		Purchase	23-Feb-18	26,217	0.02	1,056,001	0.88
		Purchase	2-Mar-18	34,783	0.03	1,090,784	0.91
		Purchase	9-Mar-18	200,000	0.17	1,290,784	1.07
		At the end of the year	31-Mar-18	1,290,784	1.07	1,290,784	1.07
9.	Pinebridge India Equity Fund	At the beginning of the year	1-Apr-17	404,000	0.34	404,000	0.34
		AT the end of the year	31-Mar-18	404,000	0.34	404,000	0.34
10.	SLG International Opportunities, LLP	At the beginning of the year	1-Apr-17	-	-	-	-
		Purchase	28-Jul-17	36,238	0.03	36,238	0.03
		Purchase	4-Aug-17	31,500	0.03	67,738	0.06
		Purchase	11-Aug-17	79,000	0.07	146,738	0.12
		Purchase	18-Aug-17	40,000	0.03	186,738	0.16
		Purchase	25-Aug-17	31,500	0.03	218,238	0.18
		Purchase	1-Sep-17	36,500	0.03	254,738	0.21
		Purchase	8-Sep-17	82,700	0.07	337,438	0.28
		Purchase	15-Sep-17	7,300	0.01	344,738	0.29
		At the end of the year	31-Mar-18	344,738	0.29	344,738	0.29
11.	SNK Investments Private Limited	At the beginning of the year	1-Apr-17	297,257	0.25	297,257	0.25
		At the end of the year	31-Mar-18	297,257	0.25	297,257	0.25
12.	The HP Invest Alternatives Erisa Sub-Fund	At the beginning of the year	1-Apr-17	222,868	0.19	222,868	0.19
		Sale	29-Sep-17	(222,868)	(0.19)	-	-
		At the end of the year	31-Mar-18	-	-	-	-

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-Managing Director & CEO	At the beginning of the year	1-Apr-17	13,698	0.01	13,698	0.01
		Purchase/Sale during the year	-	-	-	-	
		At the end of the year	31-Mar-18	13,698	0.01	13,698	0.01
2.	Mr. Sanjeev Bhardwaj-KMP	At the beginning of the year	1-Apr-17	2,250	0.00	2,250	0.00
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31-Mar-18	2,250	0.00	2,250	0.00

Following Directors/Key Managerial Personnel did not hold any shares during the year 2017-18.

Dr. Vijay Sharma, Mr. R.S. Bajoria, Ms. Verena Buzzi, Ms. Barbara Potisk Eibensteiner, Mr. Reinhold Steiner, Mr. Erwin Jankovits-Directors 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
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-			
Indebtedness at the end of the financial year	-	-	-	-
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration To Managing Director, Whole Time Director and/or Manager

(Amount in Rs. Lacs)

S. No		Particulars of Remuneration	Mr. Parmod Sagar Managing Director & CEO	Total Amount
1.		Gross salary		
	(a)	Salary as per provisions contained in section 17(1) of the Income Tax,1961	202.47	202.47
	(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	-	-
		Total (A)	**202.87**	**202.87**
			Ceiling as per the Act	**667.23**

B. Remuneration to other Directors

i. Independent Directors

S. No	Particulars of Remuneration	Name of the Directors		Total Amount
		Dr. Vijay Sharma	Mr. R. S. Bajoria	
1.	Fee for attending Board/Committee Meetings	5.00	5.00	10.00
2.	Commission	-	-	-
3.	Others, please specify	-	-	-
	Total (B1)	**5.00**	**5.00**	**10.00**

ii. Other Non-Executive Directors

S. No	Particulars of Remuneration	Name of the Directors				Total Amount
		Mr. Reinhold Steiner	Mr. Erwin Jankovits	Ms. Verena Buzzi	Ms. Barbara Potisk-Eibensteiner	
1.	Fee for attending Board/Committee Meetings	-	-	-	-	-
2.	Commission	-	-	-	-	-
3.	Others, please specify.	-	-	-	-	-
	Total (B2)	-	-	-	-	-
					Total (B)=(B1+B2)	**10.00**
					Total Managerial Remuneration (A+B)	**212.87**
					Overall ceiling as per the Act.	**1,467.90**

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

(Amount in Rs. Lacs)

S. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1.	Gross salary	Mr. Sanjay Kumar Company Secretary	Mr. Sanjeev Bhardwaj Chief Financial Officer	
(a)	Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	12.17	71.00	83.17
(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.04	0.40	0.44
(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	-	-	-
	Total	**12.21**	**71.40**	**83.61**

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)

Place: Gurugram
Date : 31 July, 2018

ANNEXURE V

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]

1. 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]

2. 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 2017-18 are given below:

	Ratio to median remuneration	% increase in remuneration in the financial year
Non-Executive Directors		
Dr. Vijay Sharma	1.29	53.85
Mr. R. S. Bajoria	1.29	53.85
Mr. Reinhold Steiner#	-	-
Mr. Erwin Jankovits#	-	-
Ms. Verena Buzzi#	-	-
Ms. Barbara Potisk Eibensteiner#	-	-
Executive Director		
Mr. Parmod Sagar	59.97	10.11
Key Managerial Personnel		
Mr. Sanjeev Bhardwaj-CFO	21.02	10.95
Mr. Sanjay Kumar-Company Secretary	3.81	9.45

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

3. The percentage increase in the median remuneration of employees in the financial year : 20.83%

4. The number of permanent employees on the rolls of the Company : 495

5. 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 14.47% on a cost to Company basis, as against an increase of 10.11% 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.

6. 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.

7. 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 & CEO) (53 Years)	B.E. (Mech.)	35	15.04.1992	232.00	Orient Abrasives Ltd. (Sr. Vice President)
2.	Mr. Sanjeev Bhardwaj (Chief Financial Officer) (53 Years)	Chartered Accountant & Company Secretary	30	10.06.2013	81.33	Sterling Tools Ltd. (Vice President)
3.	Mr. Purshottam Dass (Vice President) (56 Years)	B.E. (Electrical & Electronics)	31	01.01.2013	56.12	Samtel India Ltd. (Vice President)
4.	Mr. Suneel Chawla (Vice President) (54 Years)	B.Com. & Company Secretary	35	21.10.2015	50.64	Jindal Steel & Power Ltd. (General Manager
5.	Mr. Manoj Gupta (Asst. Vice President) (44 Years)	Chartered Accountant & Cost Management Accountant	20	23.08.2008	33.49	Orient Abrasives Ltd. (Sr. General Manager
6.	Mr. Lakshmi Narayan Banerjee (Asst. Vice President) (69 Years)	M.Sc	45	19.08.1998	31.92	Orient Abrasives Ltd. (Asst. Vice President)
7.	Mr. Manoj Kumar Rout (Sr. General Manager) (47 Years)	B.Sc. PG Dip. in Computer Application	25	15.11.2008	26.25	Orient Abrasives Ltd. (General Manager)
8.	Mr. Ajoy Kumar Roy (Sr. General Manager) (44 Years)	B.Sc	21	10.08.1996	24.41	Orient Abrasives Ltd. (General Manager)
9.	Mr. Ishwar Singh (General Manager) (59 Years)	B.A. & L.L.B	37	26.11.1980	20.99	Orient Abrasives Ltd. (Dy. General Manager)
10.	Mr. Bhupender Kumar Tiwari (Dy. General Manager) (52 Years)	B.Sc.	22	28.04.1997	18.95	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

Dr. Vijay Sharma
Chairman
(DIN: 00880113)

Place: Gurugram
Date : 31 July, 2018

ANNEXURE VI

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, 2018, 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 2017-18	Attendance at AGM held on 25 September, 2017	No. of Directorships* (As on 31 March, 2018)			No. of committee positions in Mandatory Committees* (As on 31 March, 2018)		
				Chairman	Member	Total	Chairman	Member	Total
Dr. Vijay Sharma (Chairman) DIN- 00880113	Independent, Non-Executive	5	Yes	-	-	-	-	-	-
Mr. R. S. Bajoria DIN- 00033727		5	No	-	1	1	-	-	-
Ms. Barbara Potisk Eibensteiner DIN- 06505772 (Resigned on 8 August, 2017)	Non-Independent, Non-Executive	1	N.A.	-	-	-	-	-	-
Ms. Verena Buzzi DIN- 07901672 (Appointed on 8 August 2017)		1	No	-	-	-	-	-	-
Mr. Reinhold Steiner DIN- 06674749		1	No	-	-	-	-	-	-
Mr. Erwin Jankovits DIN- 07089589		1	No	-	-	-	-	-	-
Mr. Parmod Sagar (Managing Director & CEO) DIN- 06500871	Non-Independent, Executive	5	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 5 board meetings during 2017-18 and the gap between two meetings did not exceed 120 days. The dates on which the board meetings were held: 30 May, 2017; 8 August, 2017; 12 September, 2017, 10 November, 2017 and 12 February, 2018.

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 & CEO 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 30 May, 2017, 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, CEO 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.

Both the 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 fulfilment 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 fulfilment 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:

Name of the Member	Category	No. of Meetings attended during 2017-18
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	5
Mr. R. S. Bajoria, Member	Independent, Non-Executive	5
Mr. Erwin Jankovits, Member	Non- Independent, Non-Executive	1

The Audit Committee met five 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: 30 May, 2017; 8 August, 2017; 12 September, 2017, 10 November, 2017 and 12 February, 2018. 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 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 25 September, 2017.

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:

Name of the Member	Category	No. of Meetings attended during 2017-18
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	0

The Committee met two times during the year, on 8 August, 2017 and 12 February, 2018. The Chairman of the Nomination and Remuneration Committee, Mr. R. S. Bajoria due to his pre-occupation was not present at the Annual General Meeting of the Company held on 25 September, 2017.

Details of remuneration paid

- **Remuneration Paid to the Managing Director**

(Amount in Rs. Lacs)

Particulars	Mr. Parmod Sagar- Managing Director & CEO
Salary	91.36
Perquisites and Allowances	129.68
Retirement Benefits	10.96
Total	**232.00**

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

- **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. Sitting fee for attending the board meeting was Rs. 75,000/- and audit committee meeting was Rs. 25,000/- per meeting, no sitting fee paid for attending other committee meeting. The sitting fees paid during the financial year 2017-18 are as follows:

(Amount in Rs. Lacs)

Name of Director	Sitting Fees
Dr. Vijay Sharma	5.00
Mr. R. S. Bajoria	5.00

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 & CEO who holds 13,698 equity shares of the Company as on 31 March, 2018.

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 12 February, 2018.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 2017-18
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 7 cases were reported as complaints. All complaints were resolved and no complaint was pending on 31 March, 2018. No request for dematerialization of share was pending as on 31 March, 2018.

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 2017-18 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 2017-18
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	0
Mr. Parmod Sagar, Member	Non- Independent, Executive	4

The Committee met four times during the year on: 30 May, 2017; 8 August, 2017, 10 November, 2017 and 12 February, 2018

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 2017-18
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: 30 May, 2017; 8 August, 2017, 10 November, 2017 and 12 February, 2018

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 Resolution
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	None
Monday, 26 September, 2016 at 11.30 A.M.		
Monday, 25 September 2017 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, following resolutions were put through by Postal Ballot:

Date of Postal Ballot Notice	Type of Resolution	Particular	Votes cast in favor		Votes cast against		Date of declaration of results
			No. of votes	%'age of total vote cast	No. of votes	%'age of total vote cast	
19 April, 2017	Ordinary Resolution	To modify and ratify material related party transaction from RHI, Ag for the year 2016-2017	1,18,85,968	99.962	4,511	0.038	27 May, 2017
		Approval of Material Related Party Transaction with RHI, Ag.	1,18,77,264	99.962	4,561	0.038	
15 March, 2018	Special Resolution	Amendment in the Memorandum of Association of the Company	9,41,88,975	99.997	3,000	0.003	26 April, 2018
		Shifting of registered office of the Company	9,41,88,935	99.997	3,040	0.003	

The Company successfully completed the process of obtaining approval from its members for resolutions on the items detailed above. Mr. Naresh Verma of M/s. Naresh Verma & Associates, Company Secretaries was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

Procedure for postal ballot

In compliance with the SEBI (LODR) Regulations, 2015 and Sections 108,110 and other applicable provisions of the Companies Act, 2013, read with the related rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of National Securities Depository Limited (NSDL) for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting. The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members/list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the e-mail addresses registered with their depository participants (in case of electronic shareholding)/the Company's registrar and share transfer agents (in case of physical shareholding).The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandate under the Act and applicable rules.

Voting rights are reckoned on the paid-up value of the shares registered in the name of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode were requested to vote before close of business hours on the last day of e-voting.

The scrutinizer submits his report to the Chairman/Managing Director, after the completion of scrutiny, and the consolidated results of the voting by postal ballot are then announced by the Chairman/Managing Director /Authorized Officer. The results are also displayed on the website of the Company, www.orientrefractories.com, besides being communicated to the stock exchanges, depository and registrar & transfer agent. The date of declaration of the results by the Company was deemed to be the date of passing of the resolution.

9. DISCLOSURES

During the year 2017-18

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 & CEO 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 & CEO / CFO certification for the Financial Year ended 31 March, 2018.

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 behaviour, 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. In preparation of financial statements, the Company has followed the Accounting Standards as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as applicable. The Accounting Policies followed by the Company to the extent relevant, are set out elsewhere in this Annual Report.

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.

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. As the Company has shifted its registered office to Mumbai in the state of Maharashtra, a new CIN will be allotted to the Company in due course of time.

Annual General Meeting Date, Time and Venue:

Monday, 10 September 2018 at 2.30 P.M. at Kohinoor Continental, Andheri-Kurla Road, JB Nagar, Andheri, Mumbai-400059.

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.

Financial Calendar	:	April to March
Date of book closure	:	Tuesday, 28 August, 2018 to Tuesday, 4 September, 2018 (both days inclusive)
Dividend payment date	:	By 30 September, 2018
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 2018-19.

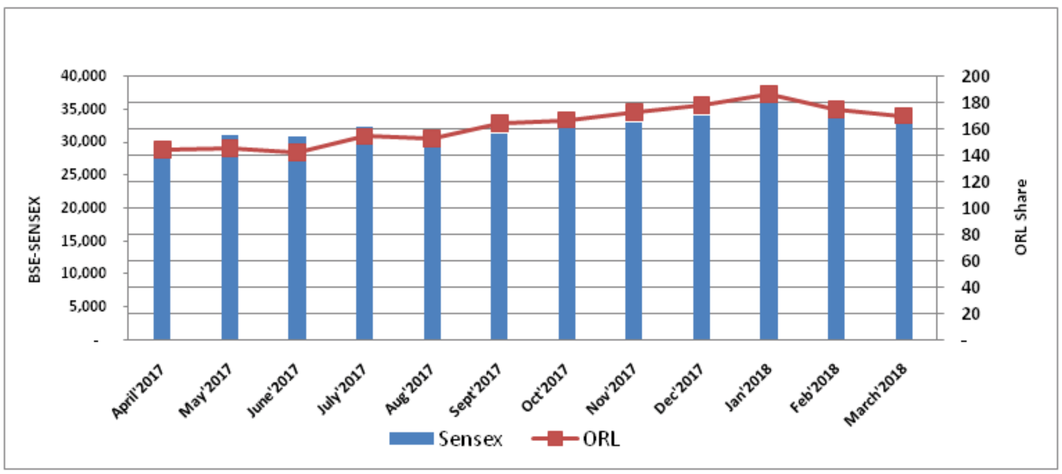
Demat International Security Identification Number (ISIN) in NSDL and CDSL for Equity Shares : INE743M01012

Market Information:

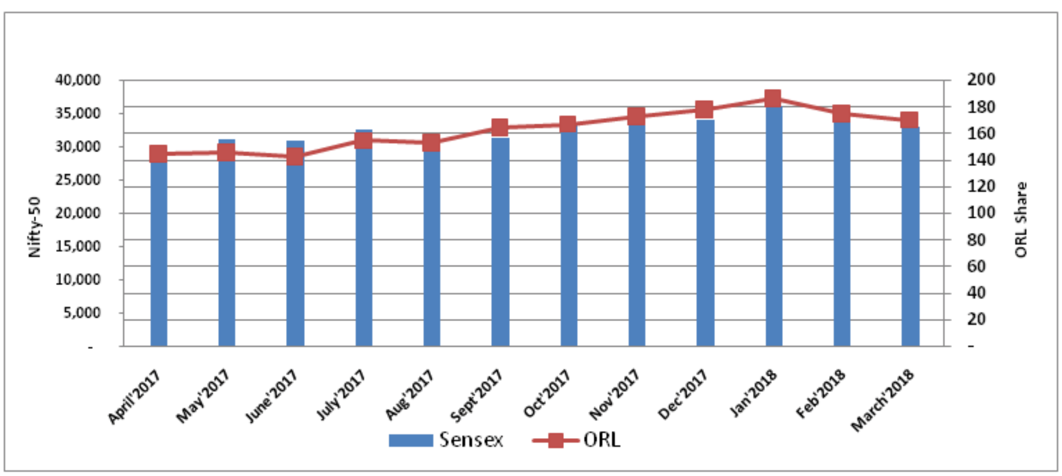
Market price data: High/ low, Number and Value of shares traded during each month in the last financial year:

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'2017	132.75	130.00	2,31,138	5,230	319.50	144.75	129.25	18,59,519	24,514	2,582.68
May'2017	131.00	124.55	2,71,949	6,074	377.20	146.00	124.45	18,46,509	54,396	2,547.39
June'2017	138.45	130.00	1,06,529	4,156	147.46	142.40	133.30	9,00,846	26,472	1,246.04
July'2017	146.00	137.85	2,08,958	3,705	311.57	154.50	137.15	17,56,970	23,672	2,618.28
August'2017	133.25	126.55	3,23,232	2,644	460.78	152.65	124.90	13,41,289	15,750	1,871.08
September'2017	163.45	139.00	3,66,051	5,069	567.67	164.00	136.60	21,54,165	28,280	3,330.29
October'2017	161.50	143.25	2,90,654	5,359	445.94	166.90	141.55	15,31,170	23,270	2,344.01
November'2017	172.65	152.00	2,67,478	4,977	431.13	172.70	151.30	17,14,915	21,833	2,765.36
December'2017	175.00	156.30	1,66,460	2,340	273.62	177.70	155.50	9,88,917	12,682	1,632.49
January'2018	186.80	161.60	1,75,549	2,888	307.17	186.30	160.50	21,48,518	20,434	3,717.00
February'2018	174.70	152.00	1,27,060	1,438	211.31	174.65	148.00	7,31,383	12,204	1,217.91
March'2018	170.00	152.25	2,52,901	910	417.45	170.00	151.15	5,81,411	13,298	932.02

Performance of ORL Share Price in comparison with BSE Sensex



Performance of ORL Share Price in comparison with Nifty-50



Share Registrar and Transfer Agent:

Skyline Financial Services Private Limited
D-153 A, 1st Floor,
Okhla Industrial Area, Phase-I,
New Delhi-110 020
Telephone : +91-11-40450193-97
Fax : +91-11-26812682
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 2017-18. 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, 2018

Shareholding of Nominal Value: Re.1/-

S. No.	Share holding Nominal Value (in Rs.)	Number of Shareholders	% age to total numbers	Shareholding amount (in Rs.)	%' age to total amount
1.	Up to 5,000	14,641	95.76	91,79,502.00	7.64
2.	5,001 to 10,000	328	2.15	24,02,772.00	2.00
3.	10,001 to 20,000	191	1.25	27,52,103.00	2.29
4.	20,001 to 30,000	47	0.31	11,58,769.00	0.96
5.	30,001 to 40,000	22	0.14	7,73,836.00	0.64
6.	40,001 to 50,000	7	0.05	3,24,817.00	0.27
7.	50,001 to 1,00,000	19	0.12	12,17,573.00	1.01
8.	1,00,000 and above	35	0.23	10,23,29,828.00	85.18
	Total	**15,290**	**100.00**	**12,01,39,200.00**	**100.00**

Shareholding pattern as on 31 March, 2018

S. No.	Category of the Shareholders	No. of Shareholders	Total Holding	% to Capital
1.	**Promoter and Promoter Group** Foreign-[Dutch US Holding B.V.]	1	8,36,37,771	69.62
2.	**Institutions**			
(a)	Mutual Fund	7	61,83,437	5.15
(b)	FII/Foreign Portfolio Investors	16	61,64,567	5.13
(c)	Alternate Investment Funds	1	36,048	0.03
(d)	Financial Institutions/Banks	6	70,405	0.06
3.	**Non-Institutions**			
(a)	Individual Shareholders holding Nominal Share Capital up to Rs. 2.00 Lacs	14,041	1,65,08,296	13.74
(b)	Individual Shareholders holding Nominal Share Capital above Rs. 2.00 Lacs	1	217,275	0.18
(c)	NBFC registered with RBI	6	90,648	0.08
(d)	Bodies Corporate	293	28,92,585	2.41
(e)	Non Resident Indians	497	6,66,980	0.56
(f)	Resident Indian HUF	396	4,70,367	0.39
(g)	Trusts	2	19,703	0.02
(h)	Clearing Members/House	22	1,90,578	0.16
(i)	Orient Refractories Limited - Unclaimed Suspense Account	1	29,90,540	2.49
	Total	**15,290**	**12,01,39,200**	**100.00**

Corporate benefits to investors' dividend declared for the last 6 years

Financial year	Type of dividend	Dividend per Share (in Rs.)
2016-17	Final Dividend	2.50
2015-16		1.45
2014-15		1.40
2013-14		1.25
2012-13		1.00
2011-12	Interim Dividend	1.00

Note: Final Dividend of Rs. 2.50 per share, recommended by the Board of Directors on 17 May, 2018, 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. Lacs)
2016-17	25 September, 2017	2 October, 2024	92.24
2015-16	26 September, 2016	3 October, 2023	49.61
2014-15	24 September, 2015	1 October, 2022	50.06
2013-14	26 September, 2014	3 October, 2021	44.16
2012-13	26 September, 2013	3 October, 2020	35.92
2011-12	10 May, 2012	16 June, 2019	35.92

*Amount unclaimed as on 31 March, 2018

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, 2017	1,478*	30,68,770
Number of shareholders who approached issuer for transfer of shares from suspense account during the financial year 2017-18	11	78,230
Number of shareholders to whom shares were transferred from suspense account during the financial year 2017-18	11	78,230
Aggregate number of shareholders and the outstanding shares in the suspense account lying on 31 March, 2018	1,467	29,90,540

* [After consolidation of folios, folios reduced from 1,600 to 1,478]

The voting rights on the shares in the suspense accounts as on 31 March, 2018 shall remain frozen till the rightful owners of such shares claim the shares.

Wherever shareholders have claimed the shares, after proper verification, the share certificates were dispatched to them or credited the shares to the respective beneficiary account.

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, 2018:

Electronic form with NSDL : 94.67%

Electronic form with CDSL : 3.78%

Physical form : 1.55%

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. 24 (C) 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, SP-148 A+B,RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019 or

(b) 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

	Sanjay Kumar	**Parmod Sagar**
Place: Gurugram	Company Secretary	Managing Director & CEO
Date : 31 July, 2018	(ACS:17021)	(DIN: 06500871)

To,
THE MEMBERS
ORIENT REFRACTORIES LIMITED

Declaration by the Managing Director under Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Parmod Sagar, Managing Director & CEO of Orient Refractories Limited hereby declare that all the members of the Board of Directors and senior management personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the year ended 31 March, 2018.

On behalf of the Board of Directors

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Place: Gurugram
Date : 31 July, 2018

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
THE MEMBERS,
ORIENT REFRACTORIES LIMITED

We, Naresh Verma & Associates, Company Secretaries, have examined the compliance of conditions of Corporate Governance by the company, for the year ended on 31 March, 2018, 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, 2018.

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: Gurugram
Date : 31 July, 2018

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF
ORIENT REFRACTORIES LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying financial statements of Orient Refractories Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

2. 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 Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 of 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the Ind AS 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 Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended 31 March, 2017 and the transition date opening balance sheet as at 1 April, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended 31 March, 2017 and 31 March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated 30 May, 2017 and 24 May, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 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 with reference to financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

    (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

        i. The Company has disclosed the impact, if any, of pending litigations as at 31 March, 2018 on its financial position in its Ind AS financial statements – Refer Note 27 to the Ind AS financial statements;

        ii. The Company did not have any long-term contracts including derivative contracts as at 31 March, 2018.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2018.

        iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended 31 March, 2018.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place: Bhiwadi
Date: 17 May, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Orient Refractories Limited on the Ind AS financial statements for the year ended 31 March, 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Orient Refractories Limited ("the Company") as of 31 March, 2018 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

2. 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. 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") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.

4. 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.

5. 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

6. 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

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

Opinion

8. In our opinion, 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, 2018, 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.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place: Bhiwadi
Date: 17 May, 2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Orient Refractories Limited on the Ind AS financial statements as of and for the year ended 31 March, 2018.

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items 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 programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable property (Leasehold land), as disclosed in Note 7 to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory, including stocks lying with third parties, have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.

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 Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products related to Mortar. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs , duty of excise, value added tax, cess, goods and service tax with effect from 1 July, 2017 and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax and value added tax which have not been deposited on account of any dispute. The particulars of dues of service tax, duty of customs and excise duty, as at 31 March, 2018 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount under dispute (Rs.)	Amount paid under protest (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	50,02,698	2,27,287	February' 2015 to August, 2015	Commissioner (Appeals) Central Excise Service Tax
Finance Act,1994	Service Tax	1,03,79,952	3,09,075	January' 2013 to February' 2015	Commissioner (Appeals) Central Goods and Service Tax Commissionerate
Central Excise Act,1944	Excise Duty	28,95,651	-	December' 2013 to March, 2016	Commissioner (Appeals) CGST & Central Excise Commissionerate
Customs Act, 1962	Custom Duty	85,843	-	April' 2016 to June, 2017	Commissioner of Customs (Appeals)

viii. As the company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS)-24, Related Party Disclosures specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place: Bhiwadi
Date: 17 May, 2018

BALANCE SHEET

(Amount in Rs. Lacs)

Particulars	Notes	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Assets				
Non-current assets				
Property, plant and equipment	3	3,991.68	3,688.35	3,412.84
Capital work-in-progress	3	1,400.91	466.60	156.54
Intangible assets	4	25.68	36.87	50.92
Financial assets				
(i) Investments	5(a)	0.30	0.30	0.57
(ii) Loans	5(c)	92.13	76.25	54.91
(iii) Other financial assets	5(f)	29.57	16.27	19.16
Deferred tax assets (net)	6	147.18	37.43	66.22
Other non-current assets	7	516.36	487.78	408.88
Total non-current assets		**6,203.81**	**4,809.85**	**4,170.04**
Current assets:				
Inventories	8	9,105.99	8,138.12	6,422.36
Financial assets				
(i) Trade receivables	5(b)	15,942.57	11,398.70	11,850.17
(ii) Investment	5(a)	10,767.22	-	-
(iii) Cash and cash equivalents	5(d)	740.72	10,642.58	7,268.23
(iv) Bank balances other than above	5(e)	530.84	441.60	379.01
(v) Other financial assets	5(f)	427.56	99.30	105.98
Other current assets	7	1,156.37	491.60	404.00
Total current assets		**38,671.27**	**31,211.90**	**26,429.75**
Total Assets		**44,875.08**	**36,021.75**	**30,599.79**
Equity and liabilities				
Equity				
Equity share capital	9(a)	1,201.39	1,201.39	1,201.39
Other equity	9(b)	31,079.84	26,125.87	21,360.71
Equity attributable to the owners of Orient Refractories Limited		**32,281.23**	**27,327.26**	**22,562.10**
Liabilities				
Non-current liabilities				
Employee benefit obligations	10	26.96	32.48	8.65
Other non-current liabilities	11	62.86	58.60	69.66
Total non-current liabilities		**89.82**	**91.08**	**78.31**
Current liabilities				
Financial liabilities				
(i) Trade payables	12(a)			
- Total outstanding dues of micro and small enterprises		414.83	220.70	325.13
- Total outstanding dues of creditors other than micro enterprises and small enterprises		10,042.40	7,537.35	6,863.29
(ii) Other financial liabilities	12(b)	494.41	319.73	207.32
Provisions	13	273.37	-	37.36
Employee benefit obligations	10	360.90	333.04	272.04

BALANCE SHEET

(Amount in Rs. Lacs)

Particulars	Notes	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Other current liabilities	14	918.12	192.59	254.24
Total current liabilities		**12,504.03**	**8,603.41**	**7,959.38**
Total Liabilities		**12,593.85**	**8,694.49**	**8,037.69**
Total Equity and Liabilities		**44,875.08**	**36,021.75**	**30,599.79**

The above balance sheet should be read in conjuction with the accompanying notes.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place : Bhiwadi
Date : 17 May, 2018

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

Dr. Vijay Sharma
Chairman
(DIN - 00880113)

Parmod Sagar
Managing Director & CEO
(DIN - 06500871)

Sanjeev Bhardwaj
Chief Financial Officer

Manoj Gupta
Asst. Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

Place : Bhiwadi
Date : 17 May, 2018

STATEMENT OF PROFIT AND LOSS

(Amount in Rs. Lacs)

Particulars	Notes	Year ended 31 March, 2018	Year ended 31 March, 2017
Revenue from operations	15	63,559.30	55,620.32
Other Income	16	1,062.23	826.28
Total income		**64,621.53**	**56,446.60**
Expenses			
Cost of Raw material and components consumed	17(a)	24,136.77	20,378.07
Purchases of stock-in-trade (traded goods)	17(b)	10,329.48	10,008.70
Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	240.26	(1,324.36)
Excise duty		880.53	3,681.55
Employee benefits expenses	19	4,727.10	4,252.73
Depreciation and amortisation expense	3&4	682.69	630.74
Other expenses	20	10,540.17	8,287.54
Total expenses		**51,537.00**	**45,914.97**
Profit before tax		**13,084.53**	**10,531.63**
Tax expense:			
- Current tax	22	4,608.54	3,583.56
- Deferred tax	22	(102.12)	44.18
- Short / (Excess) provision for tax relating to prior years	22	(5.21)	13.00
Total tax expense		**4,501.21**	**3,640.74**
Profit for the year		**8,583.32**	**6,890.89**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans		(22.06)	(44.47)
- Income tax relating to the above		7.63	15.39
Other comprehensive income for the year, net of tax		**(14.43)**	**(29.08)**
Total comprehensive income for the year		**8,568.89**	**6,861.81**
Basic earning per share (Face value of Re. 1 each share)	29	7.14	5.74
Diluted earning per share (Face value of Re. 1 each share)	29	7.14	5.74

The above statement of profit & loss should be read in conjuction with the accompanying notes.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

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Company Secretary
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Place : Bhiwadi
Date : 17 May, 2018

STATEMENT OF CASH FLOW

(Amount in Rs. Lacs)

	Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
A.	**Cash flow from operating activities**		
	Profit before tax	**13,084.53**	**10,531.63**
	Adjustments for:		
	Depreciation and amortisation expense	682.69	630.74
	Amortization of Prepaid expense	5.91	5.91
	Interest income	(168.00)	(180.62)
	Allowance for doubtful debts - trade receivables	298.58	-
	Provision for doubtful trade receivables no longer required written back	-	(88.21)
	Other liabilities written back	-	(15.00)
	Bad trade and other receivables, loans and advances written off	54.65	119.67
	Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss	(232.93)	-
	Net gain on disposal of financial assets (open ended mutual fund scheme)	(306.25)	(408.39)
	Loss on fixed assets sold/ scrapped/ written off	18.02	2.78
	Net unrealised foreign exchange gain	(86.77)	(13.01)
	Items that will not be reclassified to Profit or loss	(22.06)	(44.47)
	Operating profit before working capital changes	**13,328.37**	**10,541.03**
	Changes in operating assets and liabilities		
	Decrease/ (Increase) in inventories	(967.87)	(1,715.76)
	Decrease/ (Increase) in trade receivables	(4,805.00)	386.95
	Decrease/ (Increase) in other current financial assets	(328.26)	6.68
	Decrease/ (Increase) in other current assets	(664.77)	(78.37)
	Decrease/ (Increase) in loans	(15.88)	(21.34)
	Decrease/ (Increase) in other non-current financial assets	(13.30)	2.89
	Decrease/ (Increase) in other non-current assets	2.43	4.77
	Increase /(Decrease) in trade payable	2,844.17	616.15
	Increase /(Decrease) other financial liabilities	-	(0.49)
	Increase /(Decrease) employee benefit obligations	22.34	84.83
	Increase /(Decrease) in non current liabilities	4.26	(11.06)
	Increase /(Decrease) other current liabilities	725.53	(61.65)
	Cash generated from operations	**10,132.02**	**9,754.63**
	Net income tax paid	(4,408.07)	(3,712.03)
	Net cash flow from operating activities (A)	**5,723.95**	**6,042.60**
B.	**Cash flows from investing activities**		
	Proceeds from redemption of national savings certificates	-	0.27
	Investments in mutual funds	(42,572.93)	(13,500.00)
	Proceeds from redemption of mutual funds	32,111.95	13,907.80
	Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss	232.93	-
	Increase in other bank balances	(89.24)	(62.59)
	Capital expenditure on fixed assets, intangible assets, including capital advances	(1,975.61)	(1,182.73)
	Proceeds from sale of fixed assets	27.32	37.13
	Interest received	168.00	180.62
	Net cash flow used in investing activities (B)	**(12,097.58)**	**(619.50)**

STATEMENT OF CASH FLOW

(Amount in Rs. Lacs)

	Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
C.	**Cash flows from financing activities**		
	Dividend paid on equity shares	(2,916.79)	(1,694.12)
	Tax on dividend	(611.44)	(354.63)
	Net cash flow used in financing activities (C)	**(3,528.23)**	**(2,048.75)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**(9,901.86)**	**3,374.35**
	Cash and cash equivalents at the beginning of the year	10,642.58	7,268.23
	Cash and cash equivalents at the end of the year	**740.72**	**10,642.58**
	Cash and cash equivalent included in the cash flow statement comprise of the following:		
	Cash on hand		
	Balances with Bank		
	- in current accounts	437.94	476.79
	- deposits with original maturity of less than three months	300.62	10,163.00
	Cash on hand	2.16	2.79
		740.72	**10,642.58**

The above statement of cash flows should be read in conjuction with the accompanying notes.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Bhiwadi
Date : 17 May, 2018

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Chief Financial Officer

Manoj Gupta
Asst. Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

Place : Bhiwadi
Date : 17 May, 2018

STATEMENT OF CHANGE IN EQUITY

Equity Share Capital **(Amount in Rs. Lacs)**

Particulars	Notes	Amount
As at 1 April, 2016		1,201.39
Changes in equity share capital	9 (a)	-
As at 31 March, 2017		**1,201.39**
Changes in equity share capital	9 (a)	-
As at 31 March, 2018		**1,201.39**

Other Equity

Particulars	Notes	Attributable to Owners of Orient Refractories Limited		
		Reserves and Surplus		Total other equity
		General Reserve	Retained Earnings	
Balance as at 1 April, 2016	9 (b)	8,337.56	13,023.15	21,360.71
Profit for the year		-	6,890.89	6,890.89
Other comprehensive income		-	(29.08)	(29.08)
Total comprehensive income for the year		**8,337.56**	**19,884.96**	**28,222.52**
Dividend paid		-	(1,742.02)	(1,742.02)
Dividend distribution tax		-	(354.63)	(354.63)
Balance as on 31 March, 2017		**8,337.56**	**17,788.31**	**26,125.87**
Balance as on 1 April, 2017		**8,337.56**	**17,788.31**	**26,125.87**
Profit for the year		-	8,583.32	8,583.32
Other comprehensive income		-	(14.43)	(14.43)
Total comprehensive income for the year		**8,337.56**	**26,357.20**	**34,694.76**
Dividend paid		-	(3,003.48)	(3,003.48)
Dividend distribution tax			(611.44)	(611.44)
Balance as on 31 March, 2018		**8,337.56**	**22,742.28**	**31,079.84**

The above statement of change in equity should be read in conjuction with the accompanying notes.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place : Bhiwadi
Date : 17 May, 2018

For and on behalf of the Board of Directors of
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Sanjay Kumar
Company Secretary
(ACS-17021)

Place : Bhiwadi
Date : 17 May, 2018

NOTES TO FINANCIAL STATEMENTS

1. Corporate Information

ORIENT REFRACTORIES LIMITED ('the Company'), domiciled and incorporated in India and publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE') in India. The registered office of the Company is situated at 804-A Chiranjiv Tower 43, Nehru Place, New Delhi, India. The Company is primarily engaged in the business of manufacturing and trading of refractories, monolithics and ceramic paper and has a manufacturing facility in Bhiwadi (Rajasthan).

The financial statements were approved by the Board of Directors and authorised for issue on 17 May, 2018.

2. Significant accounting policies

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

2.1 Basis of preparation

(i) Compliance with IND AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act. These financial statements are the first financial statements of the Company under Ind AS. Refer note 33 for an explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following which have been measured at fair value:

- Financial assets comprising of investments in open ended mutual fund schemes, which are being measured at fair value.
- Defined benefit plans – plan assets measured at fair value

2.3 Critical accounting estimates, assumptions and judgements

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities at the date of the Financial Statements and the results of operations during the reporting period. The actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

In the process of applying the Company's accounting policies, the management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Property, plant and equipment

The management engages internal technical team to assess the remaining useful lives and residual value of property, plant and equipment. The management believes that the assigned useful lives and residual value are reasonable.

(b) Intangibles

Internal technical or user team assess the remaining useful lives of Intangible assets. The Management believes that assigned useful lives are reasonable.

(c) Income taxes

The management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(d) Contingencies

The management's judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(e) Allowance for uncollected accounts receivable and advances

Trade receivables are stated at their amortised cost as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

2.4 Current Versus non-current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.5 Property Plant and Equipment

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. All other repair and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on Property, Plant and equipment is provided on straight-line basis over the useful lives of assets as determined on the basis of technical estimates which are similar to the useful lives as prescribed under Schedule II to the Companies Act, 2013 except for Vehicles, which are being used by the employees. These vehicles are depreciated on written down value method, over the period of 5 years and 6 years for four wheelers and two wheelers respectively. Based on past experience and internal technical evaluation, the management believes that these useful lives represent the appropriate period of usage and therefore, considered to be appropriate for charging depreciation.

Assets residual values, depreciation method and useful lives are reviewed at the end of financial year considering the physical condition of the assets or whenever there are indicators for review and adjusts residual life prospectively.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

2.6 Intangible Assets

On transition to Ind AS, the Company has opted for the option given under Ind AS 101 to measure all the items of Intangible Assets at their carrying value under previous GAAP. Consequently the carrying value under IGAAP has been assumed to be deemed cost of Intangible Assets on the date of transition to Ind AS.

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

Software

Software are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license. Intangible Assets are amortised at straight line basis as follows:

Software	1-5 years

2.7 Leases

As a Lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leasehold land is amortised over the period of the lease term.

2.8 Financial assets (Debt Instruments)

A. Classification and initial recognition

Financial assets are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the asset. The Company determines the classification of its financial assets at initial recognition. The Company classifies the financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through profit or loss, or through other comprehensive income)
- Those measured at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

All financial assets are initially recognised at fair value plus directly attributable transaction costs in case of financial assets not at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss.

B. Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and those designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Financial assets are designated upon initial recognition at fair value through profit or loss when the same are managed by the Company on the basis of their fair value and their performance is evaluated on fair value basis in accordance with a risk management or investment strategy of the Company. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value recognised in other income in the statement of profit or loss.

b. Financial assets measured at amortised cost

Loans are non-derivative financial assets that are held for collection of contractual cash flows, where the assets' cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income in the statement of profit or loss.

c. Fair value through other comprehensive income (FVOCI)

Financial assets are measured at fair value through other comprehensive income (OCI) if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

C. Derecognition

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

D. Impairment of financial assets

The Company assesses on forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

E. Income recognition - Interest

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.9 Financial Liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity.

The Company's financial liabilities includes trade and other payables.

Classification, initial recognition and measurement

Financial liabilities are recognised initially at fair value. Transaction costs that are directly attributable to the issue of financial liabilities (other than financial liabilities carried at fair value through profit or loss) are added or deducted from the fair value measured on initial recognition of financial liability. Financial liabilities are classified as subsequently measured at amortised cost.

Subsequent measurement

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate ('EIR') method. Gains and losses are recognised in profit or loss when the liabilities are derecognised

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance cost.

2.10 Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.11. Fair Value Measurement

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.12 Derivative financial instruments

The Company acquires forward contracts to mitigate the risk arising foreign currency exposures from purchase and sale of goods and services. These forward contracts are designated as derivative financial instruments. Derivatives are initially recognised at fair value on the date of derivate contract is entered into and subsequently re-measured to their fair value at the end of reporting period. The consequent gains/ losses, arising from subsequent re-measurement, are recognised in the statement of profit or loss, unless the derivative is designated as hedging instrument and hedging relationship is established with the item being hedged.

2.13 Impairment of non-financial assets – Property, plant and equipment and Intangible assets

Intangible assets and property, plant and equipment are reviewed for impairment, whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.14 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively.

2.15 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 releasable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods, including freight, octroi and other levies. Work-in-progress and finished goods include appropriate proportion of labour and overheads.

2.16 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.17 Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management’s best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

2.18 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Board of Directors of the Company has authorised its Managing Director to assess the financial performance and position of the Company, and makes decisions in normal course of business operations. For key strategic decisions, the Board of Directors take decisions after evaluating the possible options and recommendations given by the management. The Board of Directors, together with Managing Director has been identified as being the chief operating decision maker. Refer Note 26 for segment information presented.

2.20 Revenue recognition

The Company derives revenues primarily from sale of products. Revenue is measured at the fair value of the consideration received or receivable.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of Products

Timing of recognition

The company is primarily engaged in the manufacturing and trading of refractories, monolithics and ceramic paper. Revenue from the sale of products is recognised when the following criteria for the transaction have been met:

- all significant risks and rewards of ownership have transferred to the buyer;
- the amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Company.

Measurement of revenue

Revenue from sales is based on the price specified in the sales contract, net of the estimated volume discounts and returns at the time of sale.

Amounts disclosed as revenue are exclusive of taxes and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

Sale of Services

Timing of recognition

Service income comprises of income from refractories management services. These contracts are considered as time and material contracts and revenues are recognized when related services are rendered.

Measurement of revenue

Revenue are based on the price specified in the sales contract, net of the estimated volume discounts.

2.21 Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with required conditions. 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.

2.22 Employee benefits

Defined benefit plan - Gratuity

The liability recognised in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

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 expense in the Statement of Profit and Loss, based on the amount of contribution required to be made and when services are rendered by the employee.

Other Benefits - Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for atleast twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.23 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (`the functional currency'). The Company's operations are primarily in India. The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

2.24 Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

2.25 Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.26 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III, unless otherwise stated.

2.27 Previous year's figures have also been regrouped / recasted, wherever necessary, to conform to the current year's presentation.

2.28. Standards issued not yet effective

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 (the 'Rules') on 28 March, 2018. The rules shall be effective from reporting periods beginning on or after 1 April, 2018 and cannot be early adopted.

(a) Ind AS 115, Revenue from Contracts with Customers

Ind AS 115, establishes a comprehensive framework for determining whether, how much and when revenue should be recognised. It replaces existing revenue recognition guidance, including Ind AS 18 Revenue, Ind AS 11 Construction Contracts and Guidance Note on Accounting for Real Estate Transactions.

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The new standard will come into effect for the annual reporting periods beginning on or after 1 April 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Company is in the process of evaluating the impact of the new standard on the financial statements.

(b) Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

As per the amendment issued, the Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The Company is in the process of assessing the impact of this pronouncement on the financial statements.

(c) Amendments to Ind AS 40 Investment property - Transfers of investment property

The amendment clarifies that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The list of evidence for a change of use in the standard was re-characterised as a non-exhaustive list of examples and scope of these examples have been expanded to include assets under construction/development and not only transfer of completed properties.

The amendment provides two transition options. Entities can choose to apply the amendment:

- Retrospectively without the use of hindsight; or
- Prospectively to changes in use that occur on or after the date of initial application (i.e. 1 April, 2018 for entities with March year-end). At that date, an entity shall reassess the classification of properties held at that date and, if applicable, reclassify properties to reflect the conditions that exist as at that date.

Management has assessed the effect of the amendment and concluded that there will be no impact required in the financial statements.

(d) Amendments to Ind AS 12 Income taxes regarding recognition of deferred tax assets on unrealised losses

The amendments clarify the accounting for deferred taxes where an asset is measured at fair value and that fair value is below the asset's tax base.

The Company is in the process of assessing the impact of this pronouncement on the financial statements.

Note 3 :

Property, plant and equipment and capital work-in progress **(Amount in Rs. Lacs)**

Particulars	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
Deemed cost as at 1 April, 2016	460.11	2,499.61	14.04	59.03	380.05	3,412.84	156.54
Additions	220.70	650.34	2.92	18.11	40.04	932.11	1,242.17
Disposals	-	(2.50)	(0.08)	(1.14)	(43.15)	(46.87)	(932.11)
Balance as at 31 March, 2017	**680.81**	**3,147.45**	**16.88**	**76.00**	**376.94**	**4,298.08**	**466.60**
Additions	149.34	723.82	13.41	50.89	80.18	1,017.64	1,951.95
Disposals	-	(36.26)	(0.02)	-	(34.47)	(70.76)	(1,017.64)
Balance as at 31 March, 2018	**830.15**	**3,835.00**	**30.28**	**126.89**	**422.65**	**5,244.96**	**1,400.91**
Accumulated depreciation							
Charge for the year	34.70	491.05	2.74	19.90	68.30	616.69	-
Depreciation on assets disposed off during the year	-	(0.42)	(0.01)	(0.45)	(6.08)	(6.96)	-
Accumulated depreciation as at 31 March, 2017	**34.70**	**490.63**	**2.73**	**19.45**	**62.22**	**609.73**	**-**
Charge for the year	57.48	516.13	3.83	24.23	67.30	668.97	-
Depreciation on assets disposed off during the year	-	(11.26)	-	-	(14.17)	(25.42)	-
Accumulated depreciation as at 31 March, 2018	**92.18**	**995.50**	**6.57**	**43.68**	**115.36**	**1,253.28**	**-**
Carrying amount							
Balance as at 1 April, 2016	**460.11**	**2,499.61**	**14.04**	**59.03**	**380.05**	**3,412.84**	**156.54**
Balance as at 31 March, 2017	**646.11**	**2,656.82**	**14.15**	**56.55**	**314.72**	**3,688.35**	**466.60**
Balance as at 31 March, 2018	**737.97**	**2,839.49**	**23.71**	**83.22**	**307.29**	**3,991.68**	**1,400.91**

Note: Capital work in progress as at 31 March, 2018 mainly comprises of costs attributable to new plant being constructed at Bhiwadi location.

Note 4 :

Other intangible assets

Particulars	Software
Deemed cost as at 1 April, 2016	50.92
Additions	-
Assets disposed off during the year	-
Balance as at 31 March, 2017	**50.92**
Additions	2.53
Assets disposed off during the year	-
Balance as at 31 March, 2018	**53.45**
Accumulated amortisation	
Charge for the year	14.05
Depreciation on assets disposed off during the year	-
Accumulated amortisation as at 31 March, 2017	**14.05**
Charge for the year	13.72
Amortisation on assets disposed off during the year	
Accumulated amortisation as at 31 March, 2018	**27.77**
Carrying amount	
Balance as at 1 April, 2016	**50.92**
Balance as at 31 March, 2017	**36.87**
Balance as at 31 March, 2018	**25.68**

Note 5 :

Financial assets **(Amount in Rs. Lacs)**

	Particulars		As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
5 (a)	**Investments**				
	Non-current investments				
	Investments in government securities (unquoted)				
	National Savings Certificates*		0.30	0.30	0.57
		Total	**0.30**	**0.30**	**0.57**
	* The National Saving certificates have been given to the sales tax department as security.				
	Current investments				
	Investment in mutual funds (unquoted)				
	2,20,937 (31 March, 2017: Nil, 1 April, 2016: Nil) units - in Reliance liquid fund cash plan-direct growth plan		6,202.41	-	-
	45,52,394 (31 March, 2017: Nil, 1 April, 2016: Nil) units - in Aditya birla sun life cash plan -direct plan		4,564.81	-	-
		Total	**10,767.22**	**-**	**-**
5 (b)	**Trade Receivables**				
	Trade receivables		15,213.40	10,756.36	12,418.94
	Receivables from related parties (refer note 30)		1,508.31	1,122.90	-
	Less: Allowance for doubtful debts		(779.14)	(480.56)	(568.77)
		Total	**15,942.57**	**11,398.70**	**11,850.17**
	Break-up of security details				
	Unsecured:				
	Considered good		15,942.57	11,398.70	11,850.17
	Doubtful		779.14	480.56	568.77
	Total Gross receivables		16,721.71	11,879.26	12,418.94
	Less: Allowance for doubtful debts (refer note 24)		(779.14)	(480.56)	(568.77)
		Total	**15,942.57**	**11,398.70**	**11,850.17**
5 (c)	**Loans**				
	(Unsecured, considered good)				
	Security Deposits		92.13	76.25	54.91
		Total	**92.13**	**76.25**	**54.91**
5 (d)	**Cash and cash equivalents**				
	Balances with banks				
	- in current accounts		437.94	476.79	411.61
	- deposits with original maturity of less than three months		300.62	10,163.00	6,853.00
	Cash on hand		2.16	2.79	3.62
		Total	**740.72**	**10,642.58**	**7,268.23**
	There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.				
5 (e)	**Bank balances other than cash and cash equivalents**				
	On dividend account		307.91	221.22	173.32
	Balance held as margin money or security against guarantees and other commitments		-	-	87.88
	Deposit account with Banks with maturity more the 3 months but less than 12 months		222.93	220.38	117.81
		Total	**530.84**	**441.60**	**379.01**
5 (f)	**Other Financial Assets**				
	Non-current				
	Deposit account with Bank (With original maturity of more than 12 months)		11.45	0.15	0.25
	Others		18.12	16.12	18.91
		Total	**29.57**	**16.27**	**19.16**
	Current				
	Unbilled revenue		370.47	63.11	65.25
	Interest accrued on deposits		38.45	33.93	31.63
	Loans and advances to employees		15.58	1.85	8.88
	Others		3.06	0.41	0.22
		Total	**427.56**	**99.30**	**105.98**

Note 6:

Deferred tax assets (net) **(Amount in Rs. Lacs)**

Particulars	Depreciation	Defined benefit obligation	Others	Total
At 1 April, 2016	**(239.24)**	**97.14**	**208.32**	**66.22**
(Charged)/ Credited				
- to profit and loss Account	(16.84)	13.97	(41.31)	(44.18)
- to other comprehensive income	-	15.39	-	15.39
As at 31 March 2017	**(256.08)**	**126.50**	**167.01**	**37.43**
(Charged)/ Credited				
- to profit and loss Account	(17.96)	0.10	119.98	102.12
- to other comprehensive income	-	7.63	-	7.63
As at 31 March, 2018	**(274.04)**	**134.23**	**286.99**	**147.18**

Note 7:
Other Assets

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Unsecured, considered good unless otherwise stated			
Non-current			
Capital Advances	164.35	55.23	49.67
Advance Income tax (net of provision for tax: Nil, Rs 15,537.34 lacs as at 31 March, 2017 and Nil as at 1 April, 2016)	-	78.11	-
Prepaid expenses	4.60	1.15	-
Prepaid lease payment (Leasehold Land)	347.41	353.29	359.21
Total	**516.36**	**487.78**	**408.88**
Current			
Prepaid lease payment (Leasehold Land)	5.90	5.91	5.91
Prepaid expenses	58.29	41.65	30.06
Balance with government authorities	371.35	82.56	102.32
Deposit with tax authorities	18.16	11.07	-
Advances to creditors	103.93	38.87	59.20
Export incentives receivable (government grant)*			
- Considered good	597.46	286.99	197.75
- Considered doubtful	17.34	18.11	26.88
	614.80	305.10	224.63
Less: Provision for doubtful export incentives receivable	(17.34)	(18.11)	(26.88)
	597.46	286.99	197.75
Others	1.28	24.55	8.76
Total	**1,156.37**	**491.60**	**404.00**
*** Government grant**			
Balance at the beginning of the year	305.10	224.63	119.67
Income recognised during the year (refer note 15)	621.71	411.92	252.51
Grants received during the year	312.01	331.45	147.55
Balance at the end of the year	**614.80**	**305.10**	**224.63**

Note 8:
Inventories

Raw materials	3,757.66	2,741.90	2,472.21
Work-in-progress	1,059.19	840.88	674.85
Finished goods	2,542.43	2,737.18	2,434.20
Traded goods	953.93	1,217.75	362.40
Stores and spares	792.78	600.41	478.70
Total	**9,105.99**	**8,138.12**	**6,422.36**

Note 9 (a):

Equity Share Capital (Amount in Rs. Lacs)

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Equity share capital	**1,201.39**	**1,201.39**	**1,201.39**
Authorised			
12,05,00,000 equity shares (31 March, 2017 - 12,05,00,000 , 1 April, 2016 - 12,05,00,000) of Re.1 each	1,205.00	1,205.00	1,205.00
Issued, subscribed and fully paid up share capital			
12,01,39,200 equity shares (31 March, 2017 - 12,01,39,200 , 1 April, 2016 - 120,139,200) of Re. 1 each (Fully paid up)	1,201.39	1,201.39	1,201.39

(i) Movement in equity share capital

Particulars	Number of shares	Closing balance (in Rs. Lacs)
Balance as at 1 April, 2016	12,01,39,200	1,201.39
Changes during the year	-	-
Balance as at 31 March, 2017	12,01,39,200	1,201.39
Changes during the year	-	-
Balance as at 31 March, 2018	12,01,39,200	1,201.39

Terms and rights attached to equity shares

Equity share has a par value of Re.1. They entitle the holder to participate in dividend, and to share in the proceeds of winding up of the company in proportion to number of and amounts paid on shares held.

Every holder of equity shares present at a meeting in person or proxy, is entitled to one vote, and upon a poll each share is entitled one vote.

(ii) Shares of company held by immediate holding company

Particulars	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Dutch US Holding B.V., Netherlands (No. of equity shares)	8,36,37,771	8,36,37,771	8,36,37,771
(iii) Details of shares held by each shareholder holding more than 5% shares			
Dutch US Holding B.V., Netherlands (No. of equity shares)	8,36,37,771	8,36,37,771	8,36,37,771
Dutch US Holding B.V., Netherlands (Percentage of shares held)	69.62%	69.62%	69.62%

Note 9 (b):

Other equity

General reserves	8,337.56	8,337.56	8,337.56
Retained earnings	22,742.28	17,788.31	13,023.15
Total	**31,079.84**	**26,125.87**	**21,360.71**

(i) General reserve

Opening balance*	8,337.56	8,337.56
Closing balance	**8,337.56**	**8,337.56**

(ii) Retained earning

Opening balance*	17,788.31	13,023.15
Net profit for the year	8,583.32	6,890.89
Remeasurements of post employment benefit obligation, net of tax	(14.43)	(29.08)
Dividend paid	(3,003.48)	(1,742.02)
Dividend distribution tax	(611.44)	(354.63)
Closing balance	**22,742.28**	**17,788.31**

*Balance as at 1 April, 2016 is Rs. 8,337.56 and Rs. 13,023.15 for general reserves and retained earnings respectively. (refer note 32)

Note 10:

Employee benefit obligation

(Amount in Rs. Lacs)

Employee benefit obligation	As at 31 March 2018		As at 31 March 2017		As at 1 April 2016	
	Current	Non-current	Current	Non-current	Current	Non-current
Leave obligations	356.91	-	327.50	-	270.62	-
Gratuity	3.99	26.96	5.54	32.48	1.42	8.65
Total	**360.90**	**26.96**	**333.04**	**32.48**	**272.04**	**8.65**

(i) Leave obligations

The leave obligation cover the company's liability for earned leave.

The entire amount of provision of Rs. 356.91 lacs (31 March, 2017 - Rs. 327.50 lacs, 31 March, 2016 - Rs. 270.62 lacs) is presented as current, since the company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to avail the full amont of accrued leaves or require payment for such leave within the next 12 months.

	As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Leave obligation not expected to be settled within the next 12 months	320.38	294.45	238.45

(ii) Defined Contribution Plan

The company has certain defined contribution plans including provident fund. Contributions are made to provident fund for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs. 195.05 lacs (31 March, 2017 - Rs. 180.17 lacs).

Contribution to provident and other funds

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Contribution to Employee state insurance	21.34	12.72
Contribution to Provident fund	195.05	180.17
Contribution to National Pension Scheme	29.68	25.75

(ii) Defined Benefit Plan - Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the company makes contribution to recognised funds in India. The Company does not fully fund the liability and maintains the target level of funding to be maintained over a period of time based on estimations of expected gratuity payments. 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 Kotak Group Bond fund managed by the Insurer.

	Particulars	Gratuity	
		As at 31 March, 2018	As at 31 March, 2017
		Funded	
(A)	**Changes in Defined Benefit Obligation**		
	Defined benefit obligation as at the beginning of the year	781.81	653.89
	Current service cost	59.98	54.24
	Interest cost	57.07	52.31
	Benefit paid	(33.79)	(43.25)
	Actuarial (Gain) / Loss	3.35	64.62
	Defined Benefit Obligation at end of year	**868.42**	**781.81**

(Amount in Rs. Lacs)

Particulars	Gratuity As at 31 March, 2018	Gratuity As at 31 March, 2017
	Funded	
Change in fair value of plan assets		
Fair value of plan assets at beginning of the year	743.79	643.82
Expected return on plan assets	54.30	51.51
Employer contributions	91.87	71.56
Benefit payments from plan assets	(33.78)	(43.26)
Actuarial Gain/(loss) on plan assets	(18.71)	20.16
Fair value of plan assets at end of year	**837.47**	**743.79**
Net defined Benefit Asset/(Liability)		
Present Value of obligation at the end	868.42	781.81
Fair Value of plan assets	837.47	743.79
Unfunded Liability/Provision in Balance Sheet	**30.95**	**38.02**
Total expense recognised in the statement of profit and loss		
Current service cost	59.98	54.24
Interest cost	57.07	52.31
Interest income	(54.30)	(51.51)
Total Expense recognised under employee benefit expense	**62.75**	**55.04**
Total expense recognised in OCI		
Actuarial (Gain) / Loss on defined benefit obligation arising from change in demographic assumption	(26.64)	38.31
Actuarial (Gain) / Loss on defined benefit obligation arising from change in financial assumption	29.99	26.32
Actuarial (Gain) / Loss of Plan assets	18.71	(20.16)
Unrecognised actuarial (gain)/loss at the end of year	**22.06**	**44.47**

(B) Actuarial Assumptions

Particulars	As at 31 March, 2018	As at 31 March, 2017
i) Discounting Rate	7.73%	7.30%
ii) Future salary Increase	8.00%	8.00%
iii) Retirement Age (Years)	58	58
iv) Ages	**Withdrawal Rate (%)**	
Up to 30 Years	3	3
From 31 to 44 years	2	2
Above 44 years	1	1

Assumptions regarding future mortality rate for gratuity is based on acturial advice in accordance with published statistics and experience.

(C) Sensitivity analysis on defined benefit obligation

Particulars	As at 31 March, 2018	As at 31 March, 2017
Discount rate		
a. Discount rate - 0.5% - the liability to increase by	31.34	29.70
b. Discount rate + 0.5% - the liability to decrease by	(29.96)	(27.86)
Salary increase rate		
a. Rate - 0.5% - the liability to decrease by	(30.03)	(27.82)
b. Rate + 0.5% - the liability to increase by	31.11	29.36

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the Defined benefit recognised in the balance sheet. The methods and types of assumptions used in preparation, the sensitivity analysis did not change compared to the prior period.

(D) Risk Exposures

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Salary Increases: Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk: If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability: Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(E) Defined benefit liability and employer contribution

The company monitors the deficit in defined benefit obligation (net off plan assets) and endevours to meet such deficit within reasonable future. The objective is to ensure adequate investments of funds, at appropriate time, to generate sufficient corpus for future payments.

(Amount in Rs. Lacs)

Particulars	**As at 31 March, 2018**	**As at March 31, 2017**	**As at 1 April, 2016**
Note 11:			
Other non current liabilities			
Deposit from employees	62.86	58.60	69.66
Total	**62.86**	**58.60**	**69.66**
Note 12(a):			
Trade payable			
Current			
Total outstanding dues of micro enterprises and small enterprises (refer note 31)	414.83	220.70	325.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	10,042.40	7,537.35	6,863.29
Total	**10,457.23**	**7,758.05**	**7,188.42**
Note 12(b):			
Other current financial liabilities			
Unpaid dividend	307.91	221.22	173.32
Payables on purchase of fixed assets	186.50	98.51	33.51
Interest accrued on trade payable	-	-	0.49
Total	**494.41**	**319.73**	**207.32**
Note 13 :			
Provisions			
Provision for income tax (net of advance tax Rs 10,833.79 lacs, as at 31 March, 2017- Nil, as at 1 April, 2016- Rs 11,903.42 lacs)	273.37	-	37.36
Total	**273.37**	**-**	**37.36**
Note 14 :			
Other current liabilities			
Statutory dues (Contribution to Provident fund and Employee state insurance, Goods and services tax etc)	128.77	69.67	98.96
Advances from customers	770.82	106.77	133.81
Deposits from employees	18.53	16.15	21.47
Total	**918.12**	**192.59**	**254.24**

(Amount in Rs. Lacs)

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
Note 15 :			
Revenue from operations			
Sales of products			
(i) Finished goods* (Including excise duty)		48,416.19	43,097.09
(ii) Traded goods		13,585.00	11,354.82
Sale of services		936.40	756.49
Other operating revenues(Government grant - export incentives)		621.71	411.92
	Total	**63,559.30**	**55,620.32**

*Goods and Services Tax (GST) has been effective from 1 July, 2017. Consequently, excise duty, value added Tax (VAT) , Service tax etc. have been replaced with GST. Until 30 June, 2017, 'Sale of products' included the amount of excise duty recovered on sales. With effect from 1 July, 2017 'Sales of products' excludes the amount of GST recovered. Accordingly, revenue from 'Sale of Products' and 'Revenue from operations' for the year ended 31 March, 2018 are not comparable with those of the previous year.

Note 16:			
Other income			
Interest income on financial assets on amortised cost:			
- on bank deposits		50.01	139.88
- on others		117.99	40.74
Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss		232.93	-
Net gain on disposal of financial assets (open ended mutual fund scheme)		306.25	408.39
Net foreign exchange differences		341.79	125.54
Liabilities/ provisions no longer required written back		-	103.21
Miscellaneous income		13.26	8.52
	Total	**1,062.23**	**826.28**

Note 17 (a) :			
Cost of raw materials and components consumed			
Opening stock		2,741.90	2,472.21
Add: Purchases		25,152.53	20,647.76
		27,894.43	23,119.97
Less: Closing stock		3,757.66	2,741.90
	Total	**24,136.77**	**20,378.07**

Note 17 (b):			
Purchases of stock-in-trade (traded goods)			
Spray/Ramming mass		4,280.48	4,999.32
Other items		6,049.00	5,009.38
	Total	**10,329.48**	**10,008.70**

Note 18:			
Change in inventories of finished goods, work in-progress and stock-in-trade			
Inventories at the end of the year			
Work in progress		1,059.19	840.88
Finished goods		2,542.43	2,737.18
Stock-in-trade		953.93	1,217.75
		4,555.55	**4,795.81**
Inventories at the beginning of the year			
Work in progress		840.88	674.85
Finished goods		2,737.18	2,434.20
Stock-in-trade		1,217.75	362.40
		4,795.81	**3,471.45**
	Total	**240.26**	**(1,324.36)**

(Amount in Rs. Lacs)

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
Note 19:			
Employee benefits expense			
Salaries, wages and bonus		4,218.55	3,755.42
Contribution to provident fund & others (refer note 10)		246.07	218.64
Gratuity (refer note 10)		62.75	55.04
Leave compensation		96.26	127.33
Staff welfare expenses		103.47	96.30
	Total	**4,727.10**	**4,252.73**
Note 20:			
Other expenses			
Consumption of stores and spare parts		1,529.80	1,301.25
Consumption of packing materials		1,159.71	972.18
Increase/ (decrease) in excise duty on inventory		-	53.32
Power and fuel		2,264.29	1,739.19
Processing charges		1,095.71	907.24
Rent [refer note 28 (b)]		30.98	27.06
Repairs and maintenance			
- Plant and machinery		238.57	205.47
- Buildings		62.79	18.03
- Others		3.53	5.56
Insurance		39.29	32.13
Rates and taxes		70.81	26.88
Communication costs		45.40	43.67
Traveling and conveyance		186.42	159.75
Printing and stationery		24.15	19.20
Freight and forwarding		1,880.61	1,479.92
Commission on sales (other than sole selling agents)		733.34	547.65
Advertising and other expenses		105.27	74.50
Donation		4.10	1.97
Expenditure on corporate social responsibility (refer note 21)		184.06	151.45
Legal and professional fees [refer note 20 (a)]		240.37	216.09
Royalty		78.62	72.79
Directors sitting fees		10.02	6.56
Bad debt and other receivables, loans and advances written off		54.65	119.67
Allowance for doubtful debts - trade receivables		298.58	-
Loss on fixed assets sold/ scrapped		18.02	2.78
Amortization of prepaid expense		5.91	5.91
Bank charges		106.01	56.17
Miscellaneous expenses		69.16	41.15
	Total	**10,540.17**	**8,287.54**
Note 20(a):			
Legal and professional include Payment to Auditors as under : -			
Payment to auditor comprise			
a) To statutory auditor			
- for audit		53.44	41.84
- for limited reviews		12.70	12.70
- for other matters		9.70	10.10
- reimbursement of expenses		0.90	2.35
b) To cost auditor for cost audit		0.50	0.50
	Total	**77.24**	**67.49**

(Amount in Rs. Lacs)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
Note 21 :		
Corporate social responsibility expenditure		
Amount required to be spent as per section 135 of the Companies Act, 2013		
Details of expenditure towards Corporate Social Responsibility (CSR) activities		
a) Gross amount required to be spent by the Company during the year was Rs. 182.10 (Previous Year Rs. 181.58)		
b) Amount spent during the year on:		
i) Construction/ acquisition of any asset	-	-
ii) On purposes other than (i) above	184.06	151.45
Total	**184.06**	**151.45**
Note 22:		
Income Tax Expense		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	4,608.54	3,583.56
Adjustments for current tax of prior periods	(5.21)	13.00
Total current tax expense	4,603.33	3,596.56
Deferred tax		
Deferred tax expense/(benefit)	(102.12)	44.18
Income tax expense	4,501.21	3,640.74
(b) Reconciliation of tax expense and accounting profit multiplied by tax rate		
Profit before income tax expense	13,084.53	10,531.63
Tax at the Indian tax rate of 34.608%	4,528.29	3,644.79
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for prior year	(5.21)	13.00
Corporate social responsibility expenditure	12.91	9.32
Income exempt from tax	(56.09)	(38.76)
Other	21.31	12.39
	4,501.21	**3,640.74**

Note 23:
Fair Value measurement
Financial instruments by category: **(Amount in Rs. Lacs)**

	As at 31 March, 2018		As at 31 March, 2017		As at 1 April, 2016	
	FVPL	**Amortised cost**	**FVPL**	**Amortised cost**	**FVPL**	**Amortised cost**
Financial assets						
Non-current						
Investments		0.30		0.30		0.57
Loans		92.13		76.25		54.91
Other financial assets		29.57		16.27		19.16
Current						
Trade receivables		15,942.57		11,398.70		11,850.17
Cash and bank balances						
- in current accounts		437.94		476.79		411.61
- deposits with original maturity of less than three months		300.62		10,163.00		6,853.00
Investment in mutual funds	10,767.22	-	-	-	-	-
Cash on hand		2.16		2.79		3.62
Bank balances other than above		530.84		441.60		379.01
Other financial assets		427.56		99.30		105.98
Total Financial Assets	**10,767.22**	**17,763.69**	**-**	**22,675.00**	**-**	**19,678.03**
Trade payables		10,457.23		7,758.05		7,188.42
Other financial liabilities		494.41		319.73		207.32
Total Financial Liabilities	**-**	**10,951.64**	**-**	**8,077.78**	**-**	**7,395.74**

The fair value of deposits with open ended mutual fund scheme is classified as level 1 in the fair value hierarchy. The value is measured using net asset value (NAV) as disclosed by the mutual fund house. The carrying value of the financial assets, other than deposits with open ended mutual fund scheme, closely approximates the fair value.

Note 24:

Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policies accordingly. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and bank balances, trade receivables, other financial assets	Ageing analysis Credit ratings	Diversification of bank deposits and periodic monitoring of realisable value of assets. Business with customers with reliable credit rating in the market.
Liquidity risk	Trade payables and other Financial liabilities	Cash flow forecasts	Availability of adequate cash and liquid assets.
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting's Sensitivity analysis	Regular monitoring to keep the net exposure at an acceptable level, with an option of taking forward foreign exchange contracts if deemed necessary. Natural hedging by maintaining balances between receivables and payables within same currency.

A. Credit Risk

Credit risk on cash and cash equivalent and bank balances is not significant as it majorly includes deposits with bank and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Investments primarily includes investments in debt based mutual funds, which are with registered fund houses and therefore risk of any loss is low.

Other financial assets primary includes security deposits given to state electricity board and other public sector organisations, wherein possibility of any loss is remote. These deposits are given in the normal course of the business operations.

Credit risk arise from possibility that customer may default on its obligation to make timely payments, resulting into financial loss. The maximum exposure to the credit risk is primarily from trade receivable and unbilled revenue.

The credit risk is managed by the company through credit term approvals, establishing the financial reliability of the customers taking into account the financial condition, analysis of historical bad debts and ageing of account receivables. Outstanding customer receivables are regularly monitored. Individual credit terms are set accordingly by the company credit control department.

To address the risk of any potential non recovery from trade receivables, the Company has the practice of reviewing debtors having balances outstanding for more than 180 days as at period end and consider them for provision for bad and doubtful debts. Besides this, wherever there is specific evidence about the deteriorating financial position, downfall in business, intention to not pay or other similar factors of the customer, the management reviews the underlying facts and merits of such cases to evaluate the need to adjust provision, as computed based on ageing analysis. This provision, based on collective analysis, is sufficient to cover the entire lifetime loss of revenues recognised including those that are currently less than 180 days' outstanding and not provided for.

Ageing of trade receivable **(Amount in Rs. Lacs)**

Category	As at 31 March 2018	As at 31 March 2018	As at 1 April 2016
Not Due	10,785.12	6,669.47	7,134.39
0 - 30	2,712.66	1,888.94	2,335.78
31-60 days	865.80	1,021.55	867.45
61-90 days	401.42	652.39	447.40
91-180 days	1,003.76	1,033.33	468.94
181-240 days	470.72	186.69	306.07
More than 240	482.23	426.89	858.91
Total	**16,721.71**	**11,879.26**	**12,418.94**

Loss allowance provision- trade receivable

Particulars	Amount
Loss allowance as on 1 April, 2016	**568.77**
Changes in loss allowance	(88.21)
Loss allowance as on 31 March, 2017	**480.56**
Changes in loss allowance (refer note 30)	298.58
Loss allowance as on 31 March, 2018	**779.14**

B. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time. The Company's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Company believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

Contractual Maturities of financial liabilities

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
31 March, 2018					
Trade Payables	5,249.04	5,011.72	196.47	-	**10,457.23**
Unpaid dividend	-	-	307.91	-	**307.91**
Other financial liabilities	74.01	112.49	-	-	**186.50**
31 March, 2017					
Trade Payables	3,571.48	4,020.07	166.50	-	**7,758.05**
Unpaid dividend	-	-	221.22	-	**221.22**
Other financial liabilities	10.07	88.44	-	-	**98.51**

Contractual Maturities of financial liabilities

(Amount in Rs. Lacs)

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	More than 1 year	Total
1 April, 2016					
Trade Payables	3,660.02	3,390.19	138.21	-	**7,188.42**
Unpaid dividend	-	-	173.32	-	**173.32**
Other financial liabilities	13.60	20.40	-	-	**34.00**

C. Market Risk

Foreign currency risk: The Company operates internationally and is exposed to foreign exchange risk in relation to operating activities (when revenue or expense is denominated in a foreign currency) arising from foreign currency transactions, primarily with respect to the USD and EUR. The Company manages the exposure through natural hedging, by maintaining appropriate balances of receivables and payables within same currency. The Company also has policies to enter into foreign currency financial contracts in order to manage the impact of changes in foreign exchange rates on the results of operations and future foreign currency denominated cash flows. Forward exchange contracts are not intended for trading or speculative purposes but only for hedge purposes. The Company does not have material foreign currency exposure.

Foreign currency risk exposure

Particulars of unhedged foreign currency exposure in INR (in Lacs)

Purpose	As at 31 March 2018			As at 31 March 2017		As at 1 April 2016	
	USD	EURO	NU*	USD	EURO	USD	EURO
Trade Payables	2,028.88	92.66	2.99	1,034.60	66.93	563.23	54.87
Net exposure to foreign currency risk (liabilities)	**2,028.88**	**92.66**	**2.99**	**1,034.60**	**66.93**	**563.23**	**54.87**
Trade Receivables	1,430.26	1,029.75		1,362.90	547.50	1,262.36	797.10
Sell foreign currency	-	-		-	(110.10)	-	-
Net exposure to foreign currency risk (Assets)	**1,430.26**	**1,029.75**		**1,362.90**	**437.40**	**1,262.36**	**797.10**

* The company does not expect any change in the exchange rate of NU and INR, resulting into any significant impact to the financial numbers.

Sensitivity to risk

Particulars	Impact of profit - Increase/ (decrease)	
	As at 31 March 2018	As at 31 March 2017
USD Sensitivity		
INR/USD - Increase by 5% (31 March, 2017 - 5%)	(19.57)	10.73
INR/USD - Decrease by 5% (31 March, 2017 - 5%)	19.57	(10.73)
Euro Sensitivity		
INR/EURO - Increase by 5% (31 March, 2017 - 5%)	30.63	12.31
INR/EURO - Decrease by 5% (31 March, 2017 - 5%)	(30.63)	(12.31)

Note 25:

Capital management

A. Risk Management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that it can continue to provide adequate returns to the shareholders. The Company does not have any borrowings and the entire capital comprises of equity.

B. Dividend

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(i) Equity shares		
Final Dividend for the year 31 March, 2017 of Rs. 2.50 (31 March, 2016 - Rs. 1.45) per fully paid share	3,003.48	1,742.02
Dividend distribution tax on final dividend	611.44	354.63
(ii) Dividend not recognised at the end of the reporting period		
- In addition to the above dividends, the directors have recommended the payment of a final dividend of Rs. 2.50 per fully paid equity share (31 March, 2017 of Rs.2.50), in its meeting held on 17 May, 2018. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	3,003.48	3,003.48
Dividend distribution tax on above	611.44	611.44

Note 26:

Segment Information

The Company is primarily engaged in the business of manufacturing refractories and monolithics. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resources' allocation and assessment of performance, there is single business segment in accordance with the requirements of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment Reporting' notified under the Companies (Indian Accounting Standard) Rules, 2015.

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:

(Amount in Rs. Lacs)

Particulars		Year ended 31 March, 2018	Year ended 31 March, 2017
Within India		49,132.84	44,968.55
Outside India		14,426.46	10,651.77
	Total	**63,559.30**	**55,620.32**

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

Particulars		As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Within India		13,494.22	9,427.46	9,832.17
Outside India		2,448.35	1,971.24	2,018.00
	Total	**15,942.57**	**11,398.70**	**11,850.17**

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.

Note 27:

Contingent Liabilities

Claims against the Company not acknowledged as debts*

Particulars		As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Demand from income tax authorities		-	39.98	288.94
Demand from excise and service tax authorities**		183.64	337.11	-
	Total	**183.64**	**377.09**	**288.94**

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

** Paid under protest of Rs.5.36 lacs (31 March, 2017- Rs.11.07 lacs)

These represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages professional advisors to protect its interests and has been advised that it has strong legal positions against such disputes. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

Note 28(a): **(Amount in Rs. Lacs)**

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, 2018	As at 31 March, 2017	As at 1 April ,2016
Tangible Assets	377.08	93.71	160.70

(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.

Note 28 (b):
Operating lease

The Company's cancellable operating lease arrangement mainly consists of residential premises and offices taken on lease for periods ranging between 1-5 years. Terms of lease include terms for renewal, increase in rents in future periods and terms of cancellation.

The company does not have any non-cancellable lease. Expense incurred during the year is Rs 30.98 lacs (Rs 27.06 lacs for the year ended 31 March, 2017).

Note 29:
Earning per share

Particulars	As at 31 March, 2018	As at 31 March, 2017
(a) Basic earnings per share (Rs.)	7.14	5.74
(b) Diluted earning per share (Rs.)	7.14	5.74
(c) Reconciliations of earnings used in calculating earnings per share		
Basic and diluted earnings per share		
Profit attributable to the equity holders of the Company.	8,583.32	6,890.89
Weighted average number of equity shares used as the denominator.	12,01,39,200	12,01,39,200

Note: There are no dilutive instruments.

Note 30:

Related Party Transactions

(a) Parent entities

The Company is controlled by the following

Name	Type	Place of incorporation	Ownership Interest (in %'age)		
			As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
RHI AG (upto 16/11/2017)	Ultimate holding company	Austria	-	-	-
RHI Magnesita N.V. (from 17/11/2017)	Ultimate holding company	Austria	-	-	-
Dutch US Holding B.V.	Holding company	Netherlands	69.62	69.62	69.62

(b) Key managerial personnel (KMP)
Mr. Parmod Sagar, Managing Director & CEO

(c) List of related parties

i) Fellow subsidiaries with whom the Company had transactions during the year

RHI Feuerfest GmbH, Austria
RHI India Private Limited, Mumbai
Refractory Intellectual Property GmbH & Co Kg, Austria
RHI Refractories Asia Pacific PTE Ltd,Singapore
Stopinc Aktiengesellschaft, Switzerland

ii) Entity where ultimate holding company have significant influence
RHI Clasil Private Limited, Mumbai

iii) Relative of KMP
Mr. Christophar Parvesh

(d) Transactions with related parties (Amount in Rs. Lacs)

Particulars	Relationship	Year ended 31 March, 2018	Year ended 31 March, 2017
RHI AG	Ultimate Holding Company		
Sales		3,549.71	5,065.54
Purchase		1,592.78	2,120.62
Expenses reimbursement (Received)		73.20	107.21
Dutch US Holding B.V.	Holding company		
Dividend paid		2,090.94	1,212.75
Sales:			
RHI India Private Limited	Fellow subsidiary	676.75	434.07
RHI Clasil Private Limited	Entity where ultimate holding company have significant influence	647.13	627.01
RHI Feuerfest GmbH	Fellow subsidiary	3,482.00	-
Stopinc Aktiengesellschaft	Fellow subsidiary	0.08	-
RHI Refractories Asia Pacific Pte Ltd	Fellow subsidiary	557.18	594.50
Sale of Capital goods			
RHI Clasil Private Limited		-	2.35
Purchase			
Stopinc Aktiengesellschaft	Fellow subsidiary	123.95	-
RHI Clasil Private Limited	Entity where ultimate holding company have significant influence	59.38	39.60
RHI India Private Limited	Fellow subsidiary	5.84	19.57
RHI Feuerfest GmbH	Fellow subsidiary	1,261.63	-
Managerial remuneration			
Mr. Parmod Sagar	KMP	232.00	210.68
Salary			
Mr. Christophar Parvesh	Relative of KMP	7.12	6.42
Royalty			
Refractory Intellectual Property GmbH & Co KG	Fellow subsidiary	43.94	26.50
Expenses reimbursement (Received)			
RHI Clasil Private Limited	Entity where ultimate holding company have significant influence	2.08	1.31
RHI India Private Limited	Fellow subsidiary	3.74	1.31
RHI Feuerfest GmbH	Fellow subsidiary	54.23	-
RHI Refractories Asia Pacific Pte Ltd	Fellow subsidiary	0.09	28.77

(e) Outstanding balances arising from sales/ purchase of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related party:

Particulars		As at 31 March, 2018	As at 31 March, 2017	As at 1 April, 2016
Trade Payables:				
RHI AG	Ultimate holding company	-	92.53	35.53
RHI India Private Limited	Fellow subsidiaries	0.93	1.38	192.38
Refractory Intellectual Property GmbH & Co KG	Fellow subsidiaries	40.24	22.75	8.94
RHI Refractories Asia Pacific Pte Ltd	Fellow subsidiaries	26.04	-	-
RHI Clasil Private Limited	Fellow subsidiaries	6.10	-	19.04
RHI Feuerfest GmbH	Fellow subsidiaries	1,533.76	-	-
		1,607.07	**116.66**	**255.89**
Trade Receivable:				
RHI AG	Ultimate holding company	-	946.18	1,101.26
RHI India Private Limited	Fellow subsidiaries	180.01	216.18	188.16
RHI Clasil Private Limited	Entity where ultimate holding company have significant influence	161.48	129.56	241.55
RHI Refractories Asia Pacific Pte Ltd	Fellow subsidiaries	43.92	175.82	155.73
RHI Feuerfest Gmbh	Fellow subsidiaries	1,122.90	-	-
Total Trade receivables from related parties		**1,508.31**	**1,467.74**	**1,686.70**

(Amount in Rs. Lacs)

Note 31:

Dues to micro, small and medium enterprises

Particulars	As At 31 March, 2018	As At 31 March, 2017	As At 1 April, 2016
Trade Payables:			
Total outstanding dues of micro enterprise and small enterprise	414.83	220.70	325.13
Total outstanding dues of creditors other than micro enterprise and small enterprise	10,042.40	7,537.35	6,863.29
Total	**10,457.23**	**7,758.05**	**7,188.42**

Note:
Dues to micro, small and medium enterprises

(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	414.83	220.70	325.13
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.22	-	0.49
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	61.17	82.46	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.22		0.20
(vii) Further interest remaining due and payable for earlier years	-	-	-

Note 32:

First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 1, have been applied in preparing the financial statements for the year ended 31 March, 2018, the comparative information presented in these financial statements for the year ended 31 March, 2017 and in the preparation of opening Ind AS balance sheet as at 1 April, 2016. In preparing its opening balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A Exemptions availed

A.1 Ind AS optional exemptions

A.1.1 Deemed cost:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for decommissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying values as at 1 April, 2016.

A.2 Ind AS mandatory exemptions

A.2.1 De-recognition of financial assets and liabilities:

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities de-recognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

A.2.2 Classification and measurement of financial assets:

Ind AS 101 requires an entity to assess classification and measurement of financial assets (investment in debt instruments) on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

A.2.3 Estimates:

An entity's estimates in accordance with Ind AS on the date of transition shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April, 2016 are consistent with estimates as at the same date made in confirmity with previous GAAP. The company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in debt instruments carried at FVPL ; and
- Expected credit loss for trade receivables

The Ind AS estimates closely approximate to estimates used in the previous GAAP.

B. Reconciliation between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliation from previous GAAP to Ind AS

Reconciliation of equity as at the date of transition (1 April, 2016) **(Amount in Rs. Lacs)**

Particulars	Notes	Previous GAAP*	Adjustments	As at 1 April, 2016
Assets				
Non-current assets				
Property, plant and equipment	3	3,777.96	(365.12)	3,412.84
Capital work-in-progress		156.54	-	156.54
Intangible assets		50.92	-	50.92
Financial assets				
(i) Investments		0.57	-	0.57
(ii) Loans		54.91	-	54.91
(iii) Other financial assets		19.16	-	19.16
Deferred tax assets		66.22	-	66.22
Other non-current assets	3	49.67	359.21	408.88
Total non-current assets		**4,175.95**	**(5.91)**	**4,170.04**
Current assets:				
Inventories		6,422.36	-	6,422.36
Financial assets				
(i) Trade receivables		11,850.17	-	11,850.17
(ii) Cash and bank balances		7,268.23	-	7,268.23
(iii) Bank balances other than (ii) above		379.01	-	379.01
(iv) Other financial assets		105.98	-	105.98
Other current assets	3	398.09	5.91	404.00
Total current assets		**26,423.84**	**5.91**	**26,429.75**
Total Assets		**30,599.79**	**-**	**30,599.79**
Equity and liabilities				
Equity				
Equity share capital		1,201.39	-	1,201.39
Other equity	1 & 4	19,264.06	2,096.65	21,360.71
Equity attributable to owners of Orient Refractories Limited		**20,465.45**	**2,096.65**	**22,562.10**
Non-current liabilities				
Employee benefit obligations		8.65	-	8.65
Other non-current liabilities		69.66	-	69.66
Total non-current liabilities		**78.31**	**-**	**78.31**

Reconciliation of equity as at the date of transition (1 April, 2016)

(Amount in Rs. Lacs)

Particulars	Notes	Previous GAAP*	Adjustments	As at 1 April, 2016
Current liabilities				
Financial liabilities				
(i) Trade payables		7,188.42	-	7,188.42
(ii) Other financial liabilities		207.32	-	207.32
Provisions	1 & 4	2,134.01	(2,096.65)	37.36
Employee benefit obligations		272.04	-	272.04
Other current liabilities		254.24	-	254.24
Total current liabilities		**10,056.03**	**(2,096.65)**	**7,959.38**
Total Liabilities		**10,134.34**	**(2,096.65)**	**8,037.69**
Total Equity and Liabilities		**30,599.79**	**-**	**30,599.79**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliations of equity as at 31 March, 2017

Particulars	Notes	Previous GAAP*	Adjustments	As at 31 March, 2017
Assets				
Non-current assets				
Property, plant and equipment	3	4,047.55	(359.20)	3,688.35
Capital work-in-progress		466.60	-	466.60
Intangible assets		36.87	-	36.87
Financial assets				-
(i) Investments		0.30	-	0.30
(ii) Loans		76.25	-	76.25
(iii) Other financial assets		16.27	-	16.27
Deferred tax assets		37.43	-	37.43
Other non-current assets	3	134.49	353.29	487.78
Total non-current assets		**4,815.76**	**(5.91)**	**4,809.85**
Current assets:				
Inventories		8,138.12	-	8,138.12
Financial assets				
(i) Trade receivables		11,398.70	-	11,398.70
(ii) Cash and bank balances		10,642.58	-	10,642.58
(iii) Bank balances other than above		441.60	-	441.60
(iv) Other financial assets		99.30	-	99.30
Other current assets	3	485.69	5.91	491.60
Total current assets		**31,205.99**	**5.91**	**31,211.90**
Total Assets		**36,021.75**	**-**	**36,021.75**
Equity and liabilities				
Equity				
Equity share capital		1,201.39	-	1,201.39
Other equity		26,125.87	-	26,125.87
Equity attributable to owners of Orient Refractories Limited		**27,327.26**	**-**	**27,327.26**

Reconciliations of equity as at 31 March, 2017

(Amount in Rs. Lacs)

Particulars	Notes	Previous GAAP*	Adjustments	As at 31 March, 2017
Non-current liabilities				
Employee benefit obligations		32.48	-	32.48
Other non-current liabilities		58.60	-	58.60
Total non-current liabilities		**91.08**	**-**	**91.08**
Current liabilities				
Financial liabilities				
(i) Trade payables		7,758.05	-	7,758.05
(ii) Other financial liabilities		319.73	-	319.73
Provisions				
Employee benefit obligations		333.04	-	333.04
Other current liabilities		192.59	-	192.59
				-
Total current liabilities		**8,603.41**	**-**	**8,603.41**
Total Liabilities		**8,694.49**	**-**	**8,694.49**
Total Equity and Liabilities		**36,021.75**	**-**	**36,021.75**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Reconciliations of total comprehensive income for the year ended 31 March, 2017

Particulars	Notes	Previous GAAP*	Adjustments	Year ended 31 March, 2017
Revenue from operations	5	51,938.77	3,681.55	55,620.32
Other Income		826.28	-	826.28
Total income		**52,765.05**	**3,681.55**	**56,446.60**
Expenses				
Cost of material consumed		20,378.07	-	20,378.07
Purchases of stock-in-trade		10,008.70	-	10,008.70
Changes in inventories of finished goods, stock-in-trade and work-in-progress		(1,324.36)	-	(1,324.36)
Excise duty	5	-	3,681.55	3,681.55
Employee benefits expenses	6	4,297.20	(44.47)	4,252.73
Depreciation and amortisation expense	3	636.66	(5.91)	630.74
Other expenses	3	8,281.32	6.22	8,287.54
Finance costs		0.30	(0.30)	-
Total expenses		**42,277.89**	**3,637.09**	**45,914.97**
Profit before tax		**10,487.16**	**44.47**	**10,531.63**
Tax expense:				
- Current tax		3,583.56	-	3,583.56
- Deferred tax		28.79	15.39	44.18
Tax related to previous year (DDT)		13.00	-	13.00
Total tax expense		**3,625.35**	**15.39**	**3,640.74**
Profit for the year		**6,861.81**	**29.08**	**6,890.89**

Reconciliations of total comprehensive income for the year ended 31 March, 2017 **(Amount in Rs. Lacs)**

Particulars	Notes	Previous GAAP*	Adjustments	Year ended 31 March, 2017
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurement of the defined benefit plans	6	-	(44.47)	(44.47)
Income tax relating to the above		-	15.39	15.39
Other comprehensive income for the year, net of tax		**-**	**(29.08)**	**(29.08)**
Total comprehensive income for the year		**6,861.81**	**-**	**6,861.81**
Basic earning per share		**5.71**	**0.03**	**5.74**
Diluted earning per share		**5.71**	**0.03**	**5.74**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Note 1:
Reconciliation of other equity as at 31 March, 2017 and 1 April, 2016

Particulars	As at 31 March, 2017	As at 1 April, 2016
Other equity as previously reported	26,125.87	19,264.06
Proposed dividend	-	1,742.02
Tax on proposed dividend	-	354.63
Total adjustments	**-**	**2,096.65**
Other equity as per Ind AS	**26,125.87**	**21,360.71**

Note 2:
Reconciliation of total comprehensive income for the year ended 31 March, 2017

Particulars	Year ended 31 March, 2017
Profit after tax as per previous IGAAP	**6,861.81**
Remeasurement of the defined benefit plans	44.47
Income tax relating to the above	(15.39)
Total adjustments	**29.08**
Profit after tax as per Ind AS	**6,890.89**
Other comprehensive income	(29.08)
Total comprehensive income as per Ind AS	**6,861.81**

Note 3:
Leases
Under previous GAAP, the leasehold land was disclosed as property plant and equipment, however under Ind AS the arrangement is considered as operating lease and therefore, unexpensed amount as at 1 April, 2016 and 31 March, 2017 is classified in into current and non-current asset, considering the expected charge over the remaining lease period.

Note 4:
Proposed Dividend
Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of Rs.2,096.65 lacs as at 1 April, 2016 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity fluctuated by an equivalent amount.

Note 5:

Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year month ended 31 March, 2017 by Rs. 3,681.55 lacs. There is no impact on the total equity and profit.

Note 6:

Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, the profit for the year ended 31 March, 2017 increased by Rs. 44.47 lacs. The corresponding tax impact of Rs. 15.39 lacs is also classified to the other comprehensive income. There is no impact on total equity.

The above statement of cash flows should be read in conjuction with the accompanying notes.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016
Chartered Accountants

Abhishek Rara
Partner
Membership Number: 077779

Place : Bhiwadi
Date : 17 May, 2018

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

Dr. Vijay Sharma
Chairman
(DIN - 00880113)

Parmod Sagar
Managing Director & CEO
(DIN - 06500871)

Sanjeev Bhardwaj
Chief Financial Officer

Manoj Gupta
Asst. Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

Place : Bhiwadi
Date : 17 May, 2018

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

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

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

NOTES:

NOTES:

ORIENT REFRACTORIES LIMITED
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, Maharashtra - 400086

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