ORIENT REFRACTORIES LIMITED

(An RHI Magnesita Company)

RHI MAGNESITA

10th
ANNUAL REPORT
2019-20

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BOARD OF DIRECTORS
Dr. Vijay Sharma
(Independent Director, Chairman)
Mr. Rama Shanker Bajoria (Independent Director)
Ms. Sonu Chadha (Independent Director)
Mr. Gustavo Lucio Goncalves Franco
(Non-Executive Director)
Mr. Erwin Jankovits (Non-Executive Director)
Mr. Parmod Sagar (Managing Director & CEO)

CHIEF FINANCIAL OFFICER
Mr. Sanjeev Bhardwaj

COMPANY SECRETARY
Mr. Sanjay Kumar

CORPORATE IDENTITY NUMBER (CIN)
L28113MH2010PLC312871

STATUTORY AUDITORS
M/s. Price Waterhouse Chartered Accountants LLP

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

SECRETARIAL AUDITORS
M/s. Naresh Verma & Associates

INTERNAL AUDITORS
M/s. Chaturvedi & Partners

REGISTERED OFFICE
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 : Bhi_ho@RHIMagnesita.com
Web-site : www.orientrefractories.com

CORPORATE OFFICE
301, Tower B, EMAAR Digital Greens
Golf Course Road Extension
Sec- 61, Gurugram
Haryana – 122011
Phone : +91-124-4062930

WORK
Bhiwadi Plant:
SP-148 A+B, RIICO Industrial Area,
Bhiwadi, Dist.-Alwar, Rajasthan-301019
Tel. No. : + 91 - 1493 - 222266
Fax : + 91 - 1493 - 222269
E-Mail : Bhi_ho@RHIMagnesita.com

Cuttack Plant:
Village- Bainchua,
Damaka Village Road,
Thana-Tangi, Cuttack,
Odisha- 754022

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

CONTENTS

Notice

To,
The Member(s),
Orient Refractories Limited

Notice is hereby given that the tenth Annual General Meeting of Orient Refractories Limited will be held on Friday, 28 August 2020 at 3:30 p.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORIDNARY BUSINESS

1. To receive, consider and adopt:

a. the Audited Standalone Financial Statements of the Company for the financial year ended 31 March 2020, together with the Reports of the Board of Directors and the Auditors' thereon; and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended 31 March 2020, together with the Report of the Auditors' thereon.

2. To declare a dividend on equity shares for the financial year 2019-2020.

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

SPECIAL BUSINESS

4. Appointment of Ms. Sonu Chadha as an Independent Director

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

"RESOLVED THAT, pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Ms. Sonu Chadha (DIN-00129923), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from 13 August 2019 and who holds office till the date of the AGM, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. Sonu Chadha as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of 5 years from the date of her appointment to 12 August 2024, not liable to retire by rotation."

5. Appointment of Mr. Gustavo Lucio Goncalves Franco as a Director of the Company

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

"RESOLVED THAT Mr. Gustavo Lucio Goncalves Franco (DIN-08754857) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 6 June 2020 and who holds office up to the date of this AGM of the Company in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company, liable to retire by rotation."

6. Variation in terms of remuneration of Mr. Parmod Sagar, Managing Director & CEO of the Company

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

"RESOLVED THAT in partial modification of resolution passed in this regard by the members of the Company at 7th AGM held on 25 September 2017 and pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent and ratification of the members be and is hereby accorded with regard to variation in remuneration payable to the Managing Director & CEO to the extent that Mr. Parmod Sagar (DIN-06500871), Managing Director & CEO of the Company be paid potential bonus, on recommendation of Nomination & Remuneration Committee and approval of the Board of Directors, up to 50% maximum instead of up to 30% of the gross annual salary (annual salary includes basic salary, perquisites, allowances and retirement benefits) as approved by the members of the Company in their 7th AGM held on 25 September 2017 with effect from financial year 2020-21 for the remaining period of his tenure ending on 3 March 2023.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in terms of remuneration, all other terms and conditions of his appointment as Managing Director & CEO of the Company, as approved by the resolution passed at the 7th AGM of the Company held on 25 September 2017 shall remain unchanged.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution the Board of Directors and/ or the Nomination and Remuneration Committee/the Company Secretary is/are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to subdelegate."

7. **To approve the remuneration of the Cost Auditors for the financial year 2020-21**

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, the remuneration payable to M/s. K G Goyal & Associates, Cost Accountants (Firm Registration No. 000024), appointed by the Board Of Directors as Cost Auditors to conduct the Audit of the cost records of the Company for the financial year 2020-21, amounting to Rs. 75,000 (Rupees Seventy-Five Thousand only) as also the payment of service tax as applicable and re-imbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.

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 of Directors

Sanjay Kumar
Company Secretary
Membership No. ACS 17021

Gurugram, 29 June 2020

Registered Office:
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, MAHARASHTRA-400086
CIN: L28113MH2010PLC312871
T: +91 22 660 90 600, F: +91 22 660 90 601
info@orlindia.com; www.orientrefractories.com

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/ re-appointment at this AGM is annexed.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend

the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to scrutinizer.orl@gmail.com with a copy marked to evoting@nsdl.co.in

5. **Book closure and dividend:**

   i. The Register of members and the Share transfer books of the Company will be closed from Tuesday, 11 August 2020 to Tuesday, 18 August 2020 (both days inclusive).

   ii. Payment of dividend as recommended by the Board of Directors, if approved at the meeting, will be paid to those members whose names are on the Company's register of members on 18 August 2020 and those whose names appear as beneficial owners as at the close of the business hours on 10 August 2020 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

6. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on Friday, 4 September 2020 as under:

   i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of the close of business hours on Monday, 10 August 2020.

   ii. To all Members in respect of shares held in physical form after giving effect to valid transfer, transmission or transposition requests lodged with the Company as of the close of business hours on Monday, 10 August 2020.

7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 1 April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Skyline Financial Services Private Limited ("SFSPL") for assistance in this regard.

8. To support the 'Green Initiative', Members who have not yet registered their e-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with SFSPL in case the shares are held by them in physical form.

9. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to SFSPL in case the shares are held by them in physical form.

10. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website https://www.orientrefractories.com/pdfs/Nomination%20Form.pdf. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to SFSPL in case the shares are held in physical form.

11. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or SFSPL, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

13. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 25 August 2020 through e-mail on BHI_Investor@RHIMagnesita.com. The same will be replied by the Company suitably.

14. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated

timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to Corporate Governance Report which is a part of this Annual Report.

15. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12 May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website https://www.orientrefractories.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com

16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

17. At the 7th AGM held on 25 September 2017 the members approved appointment of M/s. Price Water House, Chartered Accountants LLP (Firm Registration No. 012754N/N500016) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 12th AGM, subject to ratification of their appointment by members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 7 May 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the 10th AGM.

18. Pursuant to the changes introduced by the Finance Act, 2020 in the Income-tax Act, 1961 (the "IT Act"), w.e.f. 1 April, 2020, the dividend paid or distributed by a company shall be taxable in the hands of the shareholders. Accordingly, in compliance with the said provisions, the Company shall make the payment of dividend after necessary deduction of tax at source. The withholding tax rates would vary depending on the residential status of every shareholder and the eligible documents submitted by them and accepted by the Company. Members are hereby requested to refer to the IT Act in this regard. In general, to enable compliance with TDS requirements, Members are requested to update the details like Residential Status, PAN and category as per the IT Act with their Depository Participants or in case shares are held in physical mode, with the Company / RTA.

    A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to BHI_Investor@RHIMagnesita.com on or before Tuesday, 18 August 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them during FY 2020-21 does not exceed Rs. 5,000. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by e-mail to BHI_Investor@RHIMagnesita.com on or before Tuesday, 18 August 2020.

19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

20. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

ii. The remote e-voting period commences on Tuesday, 25 August 2020 (9:00 a.m. IST) and ends on Thursday, 27 August 2020 (5:00 p.m. IST). During this period, members holding shares either in physical form or in dematerialized form, as on Friday, 21 August 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

iii. The Board of Directors has appointed CS Naresh Verma (Membership No. FCS-5403) of M/s. Naresh Verma & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.

iv. The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

v. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

vi. Any person, who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

vii. The details of the process and manner for remote e-voting are explained herein 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 are mentioned below:

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

1. 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.

2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under “Shareholders/ Members” section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares **i.e. Demat (NSDL or CDSL) or Physical**	**Your User ID is:**
A) For Members who hold shares in demat account with NSDL.	8 Character DPID followed by 8 Digit Client ID For example, if your DPID 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 EVEN is 123456 and folio number is 001*** then user ID is123456001***

5. Your password details are given below:

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

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

c) How to retrieve your ‘initial password’?

(i) If your e-mail ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the e-mail 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'.

ii) In case you have not registered your e-mail address with the Company/ Depository, please follow instructions mentioned below in this notice.

6. 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.

   d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.

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

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

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

Details on Step 2 are mentioned below:

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

1. 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.

2. 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.

3. Select "EVEN" of the Company.

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

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

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

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

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

General Guidelines for shareholders

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly 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

2. 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 https://www.evoting.nsdl.com to reset the password.

3. In case of any queries relating to e-voting you may refer to the FAQs for Shareholders and e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.

In case of any grievances connected with facility for e-voting, please contact Ms. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. E-mail: evoting@nsdl.co.in/pallavid@nsdl.co.in, Tel: 91 22 2499 4545/ 1800-222-990.

Process for registration of e-mail id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate for receipt of dividend:

Physical Holding	Send a request to the Registrar and Transfer Agents of the Company, SFSPL at info@skylinerta.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering e-mail address. Following additional details need to be provided in case of updating Bank Account Details: (a) Name and Branch of the Bank in which you wish to receive the dividend, (b) The Bank Account type, (c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions (d) 9-digit MICR Code Number (e) 11-digit IFSC Code, and (f) A scanned copy of the cancelled cheque bearing the name of the first shareholder.
Demat Holding	Please contact your Depository Participant (DP) and register your e-mail address and bank account details in your demat account, as per the process advised by your DP.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at https://www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.

   Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further members can also use the OTP based login for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and the facility shall be made available for at least 1000 members on first-come-first-served basis.

3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at amitv@nsdl.co.in/ 022-24994360 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at sagar.ghosalkar@nsdl.co.in/ 022-24994553.

4. As the AGM is being conducted through VC or OAVM, the Members are encouraged to express their views or send their queries well in advance for smooth conduct of the AGM but not later than 5.00 P.M. (IST) Wednesday, 26 August 2020, mentioning their names, folio numbers /demat account numbers, e-mail addresses and mobile numbers at BHI_Investor@RHIMagnesita.com and only such questions / queries received by the Company till the said date and time shall be considered and responded during the AGM.

   Members willing to express their views or ask questions during the AGM are required to register themselves as speakers by sending their requests from Saturday,22 August 2020 (9:00 a.m. IST) to Monday, 24 August 2020 (5:00 p.m. IST) at BHI_Investor@RHIMagnesita.com from their registered e-mail addresses mentioning their names, folio numbers / demat account numbers, PAN details and mobile numbers. Only those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Chairman of the Meeting / the Company reserves the right to restrict the number of questions, time allotted and number of speakers to ensure smooth conduct of the AGM.

   Other Instructions

   1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.orientrefractories.com and on the website of NSDL https://www.evoting.nsdl.com immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

By Order of the Board of Directors

Sanjay Kumar
Company Secretary
Membership No. ACS 17021

Gurugram, 29 June 2020

Registered Office:
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, MAHARASHTRA-400086
CIN: L28113MH2010PLC312871
T: +91 22 660 90 600, F: +91 22 660 90 601
info@orlindia.com; www.orientrefractories.com

Details of Directors seeking appointment/re-appointment at the Annual General Meeting

<table>
<tr><th>Particulars</th><th>Mr. Parmod Sagar</th><th>Ms. Sonu Chadha</th><th>Mr. Gustavo Lucio Goncalves Franco</th></tr>
<tr><td>Director Identification Number</td><td>06500871</td><td>00129923</td><td>08754857</td></tr>
<tr><td>Date of Birth</td><td>4 September 1965</td><td>14 January 1971</td><td>27 November 1977</td></tr>
<tr><td>Date of Appointment</td><td>4 March 2013</td><td>13 August 2019</td><td>6 June 2020</td></tr>
<tr><td>Qualifications</td><td>B-Tech (Mechanical)</td><td>- Bachelor of Arts;
- Diploma in Interior Design,
- BICSc CPSS Certified Professional</td><td>B-Tech (Mechanical)</td></tr>
<tr><td>Expertise in specific functional areas</td><td>Techno Commercial (Operation & Marketing) in Refractory Industry</td><td>Extensive experience in the field of manpower training</td><td>Technical Marketing</td></tr>
<tr><td>Relationships between directors inter-se</td><td colspan="3" rowspan="4">None</td></tr>
<tr><td>Directorships held in other companies</td></tr>
<tr><td>Memberships / Chairmanships of committees of other companies</td></tr>
<tr><td>Chairman/ member of the mandatory committees of the board of the companies on which he is a director as on 31 March 2020</td></tr>
<tr><td>Number of shares held in the Company</td><td>13,698</td><td>-</td><td>-</td></tr>
</table>

Explanatory statement under section 102 of the Companies Act, 2013 relating to special business mentioned in the notice convening the 10th Annual General Meeting

Item no. 4.

The Board of Directors, at its meeting held on 13 August 2019, appointed Ms. Sonu Chadha as an Additional Independent Director of the Company with effect from 13 August 2019, pursuant to Section 161 and 149 of the Companies Act, 2013, read with Article 89 of the Articles of Association of the Company. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Sonu Chadha hold office as an Additional Director up to the date of this AGM. However, the term of an Independent Director as per provisions of Section 149 is for 5 years and Ms. Sonu Chadha can hold the office of Independent Director up to 12 August 2024, if appointed by members in this AGM.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Ms. Chadha for the office of director of the Company. Ms. Chadha if appointed will hold office as Independent Director, not liable to rotation, for a period of total five years i.e. from the date of her original appointment 13 August 2019 till 12 August 2024 under the provisions of Section 149 of the Companies Act,2013.

The Company has received from Ms. Chadha (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in subsection (6) of Section 149 of the Companies Act, 2013.Further she is not debarred from holding the Office of Director by virtue of any order passed by SEBI or any other such authority.

The approval of members by means of proposed ordinary resolution is sought for the appointment of Ms. Chadha as an Independent Director of the Company for a period up to 12 August 2024 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder. She will not be liable to retire by rotation.

In the opinion of the Board, Ms. Sonu Chadha, fulfills the conditions specified in the Companies Act, 2013 and the rules made thereunder, and she is independent of the management. A copy of the draft letter for the appointment of Ms. Chadha as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No Director, Key Managerial Personnel or their relatives, except Ms. Sonu Chadha, to whom the resolution relates, are interested or concerned in the resolution.

The Board commends the ordinary resolution set out at item no. 4 for the approval of members.

Item no. 5.

Mr. Gustavo Lucio Goncalves Franco was appointed as Non-Executive Non-Independent Additional Director by the Board with effect from 6 June 2020. In terms of Section 161(1) of the Companies Act, 2013 and Article 89 of the Company's Articles of Association, Mr. Gustavo Franco holds office as Director only till the date of the ensuing AGM but is eligible for appointment.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing his candidature as Director of the Company.

The Company has received from Mr. Gustavo Franco (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014 and (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013. Further he is not debarred from holding the office of Director by virtue of any order passed by SEBI or any other such authority

The Board considers it desirable that the Company should continue to avail itself of the services of Mr. Gustavo Franco as Non-Executive Non-Independent Director and accordingly commends the ordinary resolution at item no. 5 for approval by the members. He will be liable to retire by rotation.

A copy of the draft letter for his appointment as Non-Executive Non- Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the AGM.

No Director, Key Managerial Personnel or their relatives, except Mr. Gustavo Franco, to whom the resolution relates, are interested or concerned in the resolution.

Item no. 6.

Mr. Parmod Sagar was appointed as Managing Director & CEO of the Company with effect from 4 March 2018 for a period of 5 years at the 7th Annual General Meeting of the members held on 25 September 2017. He was also entitled to potential bonus up to 30% of the gross annual salary (annual salary includes basic salary, perquisites, allowances and retirement benefits) in addition to Salary, Allowances/Perquisites/Incentives (includes Bonus, Rent free furnished accommodation or House Rent Allowance, Medical Reimbursement, Leave Travel Allowance) and including Contribution to Provident Fund, Superannuation Fund, National Pension Fund, Gratuity provided, Encashment of accumulated leaves, use of Company's Car for business purpose. Allowances, bonus and perquisites linked with basic salary and shall also proportionately increase on increase of basic salary.

In view of the global recession, which may further worsen due to COVID- 19 pandemic, Mr. Parmod Sagar, Managing Director & CEO had not taken any annual increment and continued with the existing salary structure for the financial year 2020-21.

Taking into consideration the size of the Company, the profile of the incumbent, the responsibilities shouldered by him and the industry benchmark, the Company proposes to increase the limit of his potential bonus, on recommendation of Nomination & Remuneration Committee and approval of the Board of Directors, up to 50% maximum instead of up to 30% of the gross annual salary (annual salary includes basic salary, perquisites, allowances and retirement benefits)with effect from financial year 2020-21, for the remaining period of his tenure ending on 3 March 2023.

The Board of Directors and Nomination & Remuneration Committee at their meeting held on 29 June 2020 have already approved the revision in terms of remuneration payable to Mr. Parmod Sagar, Managing Director & CEO of the Company as set out in the resolution at item no. 6 of the Notice. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon. Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director & CEO of the Company as approved by the members of the Company shall remain unchanged. Mr. Parmod Sagar, Managing Director & CEO is interested in the resolution set out at item no. 6 of the Notice.

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

The Board commends the Special Resolution set out at item no. 6 of the accompanying Notice for the approval by the members.

Item no. 7.

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. K G Goyal & Associates, Cost Accountants (Firm Registration No. 000024), to conduct the audit of the cost records of the Company for the financial year 2020-21.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, consent of the members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested (financially or otherwise) in this resolution.

The Board commends the ordinary resolution set out at item no. 7 for the approval of members.

By Order of the Board of Directors

Sanjay Kumar
Company Secretary
Membership No. ACS 17021

Gurugram, 29 June 2020

Registered Office:
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, MAHARASHTRA-400086
CIN: L28113MH2010PLC312871
T: +91 22 660 90 600, F: +91 22 660 90 601
info@orlindia.com; www.orientrefractories.com

DIRECTOR'S REPORT

Dear Shareholders,

The Directors present the Annual Report of Orient Refractories Limited (the Company or ORL) along with the audited financial statements for the financial year ended 31 March 2020. The consolidated performance of the Company and its subsidiary has been referred to wherever required.

1. FINANCIAL RESULTS

(Amount in Rs. Lacs)

Particulars	Standalone		Consolidated*	
	2019-20	**2018-19**	**2019-20**	**2018-19**
Gross revenue from operations	69,609.40	74,794.70	69,968.82	74,794.70
Total expenditure before finance cost and depreciation	**57,486.45**	**61,996.63**	**57,787.24**	**61,996.63**
Operating Profit	**12,122.95**	**12,798.07**	**12,181.58**	**12,798.07**
Add: Other income	642.57	1,817.29	660.83	1,817.29
Profit before finance cost, depreciation, exceptional items and taxes	**12,765.52**	**14,615.36**	**12,842.41**	**14,615.36**
Less: Finance costs	-	-	-	-
Profit before depreciation, exceptional items and taxes	12,765.52	14,615.36	12,842.41	14,615.36
Less: Depreciation	1,095.77	863.12	1,109.44	863.12
Profit/(Loss) before exceptional items & tax	11,669.75	13,752.24	11,732.97	13,752.24
Add/(Less): Exceptional Items	-	-	-	-
Profit before taxes	**11,669.75**	**13,752.24**	**11,732.97**	**13,752.24**
Less: Tax Expense	2,944.67	4,769.58	3,046.42	4,769.58
(A) Profit/(Loss) after taxes	8,725.08	8,982.66	8,686.55	8,982.66
(B) Total other comprehensive income	(59.96)	(19.51)	(59.96)	(19.51)
(C) Total comprehensive income for the period [A + B]	8,665.12	8,963.15	8,626.59	8,963.15
Retained Earnings: Balance brought forward from the previous year	**36,422.14**	**31,079.84**	**36,422.14**	**31,079.84**
Add: Profit for the period	8,725.08	8,982.66	8,686.55	8,982.66
Add: Addition on 18 May 2019 on account of acquisition of Subsidiary	-	-	0.90	-
Add: Other Comprehensive Income recognised in Retained Earnings	(59.96)	(19.51)	(59.96)	(19.51)
Balance Which the Directors have apportioned as under to:	**45,087.26**	**40,042.99**	**45,049.63**	**40,042.99**
(i) Dividend on Ordinary Shares	3,003.48	3,003.48	3,003.48	3,003.48
(ii) Tax on dividends	617.37	617.37	617.37	617.37
Total Appropriations	3,620.85	3,620.85	3,620.85	3,620.85
Retained Earnings: Balance to be carried forward	**41,466.41**	**36,422.14**	**41,428.78**	**36,422.14**

**The Company first time consolidated its financial with subsidiary company, the financial information of subsidiary company considered in the consolidated financial statements are of the period 18 May 2019 to 31 March 2020.*

2. COMPANY PERFORMANCE AND OPERATIONS

The Company's sale was reduced by 6.93% in the financial year 2019-20 to Rs. 69,609. 40 lacs as compared to previous year 2018-19 which was Rs.747,94.70 lacs. The profit before tax was Rs. 11,669.75 lacs during the financial year 2019-20, which is 15.14% lower than the previous year profit before tax Rs. 13,752.24 lacs.

3. **IMPACT OF COVID-19 PANDEMIC**

The Indian economy was in the midst slowdown in 2019 with steel demand remaining tepid throughout the year. The first two months of 2020 raised the hope both in services and manufacturing sector, but COVID-19 pandemic impacted Indian economy negatively. A nationwide lockdown was declared on 24th March 2020 & extended till June 2020. All socio-economic activities came to a standstill.

The pandemic has impacted the steel production and consumption in all the major economies. The supply side adjustment by major manufacturers is expected to strike a balance in the already existing oversupply market. Indian steel production and imports has already declined in the month of April and May 2020. While work force mobilization will be key challenge for core sectors of the economy, lower energy prices and expectation of normal monsoon will help revive steel demand in India. The targeted policy measures and the financial stimulus of Rs. 20 trillion announced by the government is expected to mitigate the economic fallout due to the pandemic. Supply side adjustment and elevated exports will help offset weak domestic demand and result in gradual recovery in second half of financial year'2021. With partial lifting of lockdown underway across several economies, re-emergence of the pandemic will post a risk to the expected recovery in steel demand.

4. **MEASURES TAKEN BY COMPANY DURING COVID-19 LOCKDOWN**

The Company has taken appropriate measures to ensure safety and health of all its employees and ensured due compliance with various directives issued by Central, State and Municipal authorities. The Company has adopted Work from home for its office-based employees effective mid of March'2020 to minimize the risk. Consequent to the lock-down orders issued by Central and State Governments, the operations have been disrupted from 24 March 2020 at both the Plants situated at Bhiwadi, Rajasthan & Cuttack, Orrisa and across different sites, facilities and distribution centres, as per the directives applicable to them. To meet the customers requirement and uninterrupted supplies, the Company started dispatches of the finished goods from 20 April 2020 and after obtaining requisite permission from concerned district administration, the Company has resumed their limited operation from 8 May 2020 at both Plants in compliance with all the safety guidelines/ directives issued by the Central/ State Governments and local administration to safeguard the employees, labourers and all other stakeholders to prevent the spread of COVID-19.

5. **MANAGEMENT DISCUSSION AND ANALYSIS**

COMPANY OVERVIEW

Orient Refractories Limited (ORL) is in the business of manufacturing and marketing special refractory products, systems and services to the steel industry in India and Globally. ORL is market leader for special refractories in India and has many global customers for its international quality products. ORL produces nearly 50,000 tonne of refractory per annum including customized products and system solutions.

The refractory products are mainly used in high temperature manufacturing processes in iron and steel industry, metal smelters, cement, glass industry and for other industrial products. Demand for refractory is primarily dependent on the consumption of steel, which accounts for about 75% of the total value and the remaining is used for glass, cement, non-ferrous, petrochemicals etc.

Products of ORL are manufactured at its state-of-the-art manufacturing facility at Bhiwadi, in Rajasthan & Tangi in Orissa. The Company has ongoing programs for improving efficiency and effectiveness of its manufacturing processes, raw material cost, energy conservation, control over working capital and to produce special refractories at low cost so as to add maximum value to the customers. Energy efficient installations have been made at the factory. Best in class safety measures and processes have been put in place and improved upon at the factory and all working sites.

The products of ORL are of Global standards in quality and highly cost competitive, which makes it attractive for the customers worldwide.

INDUSTRY OVERVIEW

Review of Global Steel Industry and outlook

The global crude steel production grew by 3% in Calendar Year'2019 to 1,869 million tonne on the back of robust demand from China. While European Union's) (EU's) manufacturing industry contracted in Calendar Year'2019, most of the developed economies like the US, Japan and EU reported listless growth in steel demand. However, the developing countries like China and India showed positive momentum in production and consumption. China's crude steel production grew by ~7.7% to 996 million tonne in Calendar Year'2019. According to World Steel Association (WSA), the global finished steel demand is expected to contract 6.4% Y-o-Y to 1,654 million tonne in Calendar Year'2020 on the back of weak economic conditions, general freeze in consumption, disrupted supply chains and lockdown enforced across the globe due to the outbreak of COVID-19 pandemic. After the lockdown was lifted in Wuhan on 8th April 2020 all the major steel using sectors including construction resumed full scale productivity in China. World Steel Association expects China's steel demand to grow by 1% Y-o-Y in Calendar Year'2020. Manufacturing recession in European Union will continue with the steel demand expected to contract by 16% in Calendar Year'2020. Similarly, steel demand is expected to decline by 19% and 23% in Japan and US respectively in Calendar Year'2020 due to high unemployment, reduction in income levels and impaired residential construction.

India's Steel Industry – Review and Outlook

India's steel demand in financial year'2020 was largely subdued despite a small revival in the start of last quarter of the fiscal year. The crude steel production declined by 1.5% Y-o-Y to 109 million tonne due to weak demand outlook from end user industries and the countrywide lockdown imposed in last week of March'2020 due to the outbreak of COVID-19 pandemic. The finished steel consumption witnessed a slowdown in financial year'2020 with a muted growth of 1.4% Y-o-Y at 100 million tonne. In Financial Year'2020, India's economy was coping with a massive slowdown from sectors like capital goods, automobile, infrastructure and construction which are primarily steel intensive. This adversely impacted demand for steel and consequently prices also declined to reach the bottom in September'2019. Steel demand started picking momentum from mid of November'2019 after the end of monsoon and festive season. The steel demand stabilised in the following months of December'2019 and January'2020 before the global steel demand was impacted by the outbreak of COVID-19 pandemic. The pandemic severely impacted the steel industry in India by disrupting the labor force and supply chain due to the strictest lockdown enforced in the country. The outbreak of COVID-19 also impacted the imports from Free Trade Agreements (FTA) countries in later half of the year. While the imports declined by 18.5% Y-o-Y to 7.17 million tonne in financial year'2020, steel exports grew by 31% Y-o-Y to 11.2 million tonne on the back of weak domestic demand.

The Indian Steel Association has revised downwards India's Steel demand growth forecast for 2020. It is expected that all Steel using sectors will remain in negative territory in 2020. It estimates finished steel demand in India to fall in Calendar Year'2020. The assumption is based on lockdown till May'2020, further fiscal stimulus boosting demand and helping the project to complete once the lockdown ends and disruption will end early June'2020. It is expected that any kind of demand recovery will take at least another month from July'2020 onwards on overcoming challenges in the form of getting migrant labors back resetting the disrupted supply chain and overcoming liquidity constraints particularly towards working capital needs, cannot be accomplished overnight.

Overall steel production of the country now is expected to reach 90 million tonne as against 109 million tonne in 2019.

With regard to automotive sector supply chain disruptions both, abroad & within India have further increased the suffering which had already hit hard due to falling demand, accumulated inventories demand recovery is slow and expected to increase in festive season in October'2020. Similarly, the machine sector is expected to see continued decline due to weaker investment, fragile export demand and halted projects in energy, consumptions & mining. The railway sector is most likely to defer its capital expenditures. This will affect growth in steel usage negatively.

The COVID-19 crisis is linked with consumers demand, supply, logistics, financials and human resources. The logistic work has been impacted globally which has disrupted the movement of raw material and finished goods, which contributes to the growth challenges across sectors and hence will impact the steel sector negatively. The automotive sector accounts for 15% of steel usage and consumption & infrastructure account for around 60%, both the sectors are not performing well because of low demand liquidity, low private investment etc.

Indian refractory Industry

With a production capacity of 1.5 million tonne the India Refractory Industry is an integral part of the Country's steel eco system as well as other thermally intensive industries such as Cement and Glass. Refractories are used as vital input materials in steel production process, without which the commodity cannot be made.

The nationwide lockdown has disrupted the production of all refractory manufacturers. Despite the disruption and curtailments in steel production, there is demand of refractory material. Indian refractory manufacturers are dependent on China for key raw materials like Bauxite and Magnesia. Clogged logistical network and lack of transportation facilities are taking toll on timely delivery of raw material. Due to Corona the supply is erratic from China. It is very difficult to comment on forecast for 2020-2021, even to comment on short term outlook is difficult because of Government's action which are changing the situation on day to day basis.

Benefits of the new structure

Year 2018 has seen the Indian steel market becoming the second largest in the world, further reinforcing the necessity, RHI Magnesita continued emphasis on this geography. The Indian Steel Ministry has set a 300 million tonne per annum steel capacity target by the end of 2030 which bodes well for the future of this industry. The Indian steel industry is undergoing consolidation, which is expected to build up its strength but also to provide a higher market share for industry leaders. As a result of substantial restructuring and consolidation in the India steel industry, demand for higher performance and better quality solutions has increased – a development which corresponds well to our strengths as a Group and enables us to take advantage of this position, whilst also working to further strengthen our position in the market in terms of cost competitive refractory solutions.

As a combined group in India, RHI Magnesite's business here will be in a strong position to benefit from this consolidation on the basis of the breath of the combined organization as well as its long-standing relationships with the market-leading customers.

The new organization structure will form one strong entity to seize growth opportunities and enhance the shareholders' value. It will help in simplification of the corporate structure and consolidation of Indian business. One strong entity will enhance the business and operational synergies, shareholders value and utilization of resources due to pooling of management expertise, technologies and other resource of the companies. This will also create a larger asset base and facilitation of access to better financial resources. For the customers the new entity will provide single window for all refractory solution under one umbrella. There is also an ongoing exercise to optimize the production footprint in India through maximizing the operational and supply chain excellence.

Challenges & Opportunities

Challenges:

The financial year 2019-20 was not good for steel sector as all the major steel buying industries like energy, auto, machinery, construction showed negative growth during the financial year. The demand was low as compared to 2018-19. India with the GDP growth of less than 5% has slowed down Industrial growth. Below are the factors that resulted in challenging times for the industries in terms of growth and margins-

- Bad debts in banking system and tough loan process kept private investors away in investing money on greenfield projects.
- Managing currency risk is a big concern to keep the margins intact. Rupee depreciation against Dollar and Euro has impacted profitability.
- While steel output prices turned soft, inputs continued to be costlier for domestic production. There are likely to be pressure on the margins in future.
- Trade tensions between the countries have led to slow geographical growth, new markets have to be explored for capacity utilization. India and China tension has added to the scarcity of raw material and logistic problems.
- COVID-19 pandemic has disrupted supplies, demand, human resource and created uncertainty to Industrial growth.

Opportunities:

The Indian steel industry has a good chance to seize the opportunity as the steel mills are gearing up for an increase in demand from overseas buyers as the pandemic has choked the supplies from China. The movement at Chinese Port is blocked, supply gap will emerge in south east countries, which is a big market for China. India per Capita Steel Consumption is 60 Kg. as compared world average of 250 Kg. So, we have an opportunity gap to release. National Steel Policy 2017 states that India's objective is to increase the per Capita Steel Consumption from 60 Kg. to 160 Kg. by 2030-31, this in turn would have 300 tonne capacity.

Also, to achieve 5 trillion USD economy by fiscal year 2025, India needs to spend 1.4 trillion USD on infrastructure.

Current Situation and Market outlook:

Steel production after COVID-19, 2020 remains affected due to the countrywide lockdown (till 31st May'20). Outlook for the year as follows:

- Mini steel plants which were shut down have started partial production at 50%-60% capacity during June'2020. Good monsoon and festive season from September'2020 onward will ramp up the sales to 80-90% capacity.
- Integrated steel plants (Operating blast furnaces and coke ovens) like JSW, TATA, SAIL, JSPL are running at a reduced capacity of 50-70% max in May and in June they have produced appox. 75% of the usual production level. Expected to come to a level of 90% in last quarter.
- Labour migration to hometowns affecting production ramp up. Uncertainty among industry people on experienced manpower availability.

- The auto sales will remain weak till the end of June, also due to COVID-19 impact all the infrastructure projects are on hold. Probably good monsoon and rural part will pick up in last quarter.
- Since demand of consumer industry for steel is very low, steel production is only adding up to inventories.
- No green field project in India in coming half year, investments are very low due to stringent and strict banking norms.

ENVIRONMENTAL SUSTANIBAILITY

The Company is committed towards clean environment and has stopped use of Pat Coke and shifted to cleaner fuel (PNG) at Bhiwadi plant. The plan is to gradually convert all oil-fired Kilns to gas fired Kilns.

6. CONSOLIDATING AND STRENGTHENING THROUGH MERGER OF RHI INDIA PVT. LTD, RHI CLASIL PVT. LTD INTO ORIENT REFRACTORIES LIMITED

In 2018, RHI Magnesita group commenced the reorganization of its Indian operations by merging its two other Indian subsidiaries – RHI Clasil Pvt. Ltd. and RHI India Pvt. Ltd., with Orient Refractories Ltd., thereby enhancing the business and operational synergies via pooling of management expertise, technologies and other resources between the businesses.

The combined business, which is underpinned by the expertise and experience of its global, market-leading parent company – RHI Magnesita, will create a larger asset base in India, and importantly will provide customers with one single refractory solutions platform offering the industry's most comprehensive product portfolio, including, among others, Magnesia and Alumina based bricks and mixes for large industrial clients as well as specialty refractory products, with proven supply and sales capabilities. The shareholders and the unsecured creditors of the Company and the merging entities had approved the scheme without modification.

UPDATE ON AMALGAMATION OF RHI INDIA PRIVATE LIMITED AND RHI CLASIL PRIVATE LIMITED WITH AND INTO THE COMPANY

The Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT') through their order dated 2 March 2020, did not deem it fit to approve and sanction the proposed Scheme. The Company has decided to file an appeal to National Company Law Appellate Tribunal, New Delhi against the above said order of Hon'ble National Company Law Tribunal, Mumbai bench, rejecting the captioned scheme of amalgamation and arrangement.

7. CAPACITY EXPANSION & INVESTMENTS IN 2019-20

During the year under consideration the Company has invested Rs. 43.56 Crores to purchase certain assets of plant situated at Baichuana, Tangi, Distt. - Cuttack, Orissa of Manishri Refractories & Ceramics Private Limited (MRCPL). This plant capacity is 10,000 Tons for manufacturing of MGU bricks through recycling and with further capex the capacity will be increased to 18,000 Tons per annum. The Plant has started production from November'2019. Further, during the year Company has acquired 100% shareholding of Intermetal Engineers India Private Limited (IEIPL) for Rs.10.10 Crores for manufacturing of steel plant equipment (viz., slide gate system for flow control of liquid steel, oxygen lancing and CCM assemblies such as mould jacket assembly, dummy bar assembly) specially used during the flow of liquid steel for continuous casting, ingot casting which are exported to its regular customers in Gulf and African Region and caters to about 300 to 400 regular steel plant customers in India. IEIPL has a plant in Mumbai. These investments are made through internal accruals.

8. EXPORT HOUSE STATUS

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

9. DIVIDEND

The Board recommended a dividend of 2.50 per equity share on 120,139,200 equity shares of Re. 1.00 each for the year ended 31 March 2020 (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 28 August 2020. The dividend will be paid by 4 September 2020.

The register of members and share transfer books will remain closed from Tuesday, 11 August 2020 to Tuesday, 18 August 2020 (both days inclusive) for the purpose of AGM and payment of the dividend for the financial year ended 31 March 2020.

The dividend pay-out is in accordance with the company's dividend distribution policy the policy is available on the weblink *https://www.orientrefractories.com/pdfs/Dividend%20Policy_13_May_2020.pdf"*

10. SHARE CAPITAL

The paid-up equity share capital as on 31 March 2020 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.

11. RESERVES

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

12. 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, except as disclosed elsewhere in this report.

13. 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 2020.

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 2020, the Company's internal financial controls were adequate and operating effectively.

14. 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, behavioral attributes, customer focused culture, lean implementation and 5's at shop floor. The Company endeavors to keep the employee's 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.

15. SUBSIDIARY COMPANY

Intermetal Engineers (India) Private Limited was acquired by the Company as a 100% wholly owned subsidiary of the Company w.e.f. 18 May 2019.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company's subsidiaries in Form No. AOC-1 is attached to the financial statements of the Company as **Annexure-I.**

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiary, are available on the website of the Company *https://www.orientrefractories.com/investor-relations*.

16. 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:

- That in the preparation of the annual accounts for the year ended 31 March 2020, the applicable accounting standards have been followed and there are no material departures from the same;
- 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 2020 and of the Profit of the Company for that period;
- 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;
- the directors have prepared the annual accounts of the Company on a "going concern" basis;
- 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
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that systems are adequate and operating effectively.

17. 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.

18. CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company as adopted by the Board and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure II** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on *http://www. orientrefractories.com/policies.htm*.

19. 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 Board has formed a Risk Management Committee. The composition of the same has been given in Corporate Governance Report.

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.

20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Ms. Sonu Chadha who was appointed as an Additional Independent Director on 13 August 2019 will retire at the ensuing Annual General Meeting of the Company in terms of provisions of Section 161 of the Companies Act, 2013, unless re-appointed. In due compliance with the provisions of Section 149 of the Companies Act, 2013, it is proposed to appoint Ms. Sonu Chadha as Independent Director on the Board of the Company, to hold office for 5 years from the date of her initial appointment i.e. 13 August 2019 till 12 November 2024 and she shall not be liable to retire by rotation.

Mr. Gustavo Lucio Goncalves Franco was appointed as an Additional Director on 6 June 2020 and he will be retiring at the ensuing Annual General Meeting of the Company unless re-appointed. The Board proposes to appoint him as Director of the Company, liable to retire by rotation.

Ms. Jacqueline Michelle Knox due to her personal reason resigned from the Board on 31 December 2019. Mr. Luiz Gustavo Rossato (DIN: 08695654) was appointed as Non-Executive Non-Independent Additional Director on 11 February 2020 and he resigned due to his personal reason from the Board on 1 June 2020. The Board places on record its appreciation for the services rendered by them during their brief tenure with the Company.

Mr. Parmod Sagar retires by rotation and being eligible has offered himself for re-appointment. Your Board recommends his re-appointment.

Brief profile of the Directors being appointment/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, except as mentioned in disclosure section of the Report on Corporate Governance which is forming part of this Annual Report.

21. 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.

22. 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.

23. 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 11 February 2020, 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.

24. 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 7thAGM held on 25 September 2017 for a period of 5 years for auditing the accounts of the Company from the conclusion of 7thAGM till the conclusion of 12th AGM of the Company to be held in year 2021-2022.

Internal Auditor

The Board has appointed M/s. Chaturvedi & Partners as Internal Auditors for the financial year 2019-20 under Section 138 of the Companies Act, 2013 and they have completed the internal audit as per the scope defined by the Board. They have been re-appointed for the financial year 2020-21 also.

Secretarial Auditor

The Company has appointed M/s. Naresh Verma & Associates, Company Secretaries in Practice, to conduct Secretarial Audit for the financial year 2019-20 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 2020 is annexed herewith marked as **Annexure - III.**

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 2021.

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. 75,000 plus out-of-pocket expenses and taxes payable to the Cost Auditors for the financial year 2020-21.

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 2020 will be filled within statutory time limit.

25. AUDITOR’S QUALIFICATION AND MANAGEMENT REPLY THEREON

There are no qualifications in the reports of the Statutory Auditor and Secretarial Auditors’ except one adverse observation by Secretarial Auditor’s regarding short fall in Corporate Social Responsibility expenditure., which is explained in CSR disclosure (Annexure II) stated in this report. The remaining remarks of the Secretarial Auditors regarding composition of Board of Directors are self-explanatory, and no further explanation thereof is required.

The Statutory Auditor in their report has emphasised the matter regarding management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company which is explained in the Note 37 to the standalone financial statements and further explained in point no. 3 of 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.

26. INDUSTRIAL RELATIONS

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

27. 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.

28. 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 composition of the Audit Committee has been given in Corporate Governance Report. 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 (5) 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 particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

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

The particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & 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 - IV.**

vi. Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith marked as **Annexure - V.**

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 - VI.**

viii. Corporate Governance Report

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

ix. Business Responsibility Reporting

The Company's ethical and responsible behaviour complements its corporate culture. Being a public listed company, the Company recognises that its accountability is not limited only to its shareholders from a financial perspective but also to the larger society in which it operates. During the year, consequent to the requirements of reporting of its business responsibility initiatives becoming mandatory under the Listing Regulations, the Company formulated a consolidated policy on business responsibility which lays down the broad principles guiding the Company in delivering its various responsibilities to its stakeholders. The policy is intended to ensure that the Company adopts responsible business practices in the interest of the social set up and the environment so that it contributes beyond financial and operational performance.

A copy of the policy is available at *https://www.orientrefractories.com/policies.htm* and the Business Responsibility Report for the year ended 31 March 2020 in terms of Regulation 34 of the Listing Regulations is annexed to this report as **Annexure - VIII.**

x. Transfer of amounts to Investor Education and Protection Fund

Details regarding transfer of amount & shares to IEPF has been given in Corporate Governance Report.

xi. Listing with Stock Exchanges

The Company confirms that it has paid the annual listing fees for the year 2020-21 to NSE and BSE where the Company's shares are listed.

xii. 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*

xiii. 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.

xiv. 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:

- Details relating to deposit and unclaimed deposits or interest thereon.
- Issue of equity shares with differential rights as to dividend or voting.
- Issue of shares (including sweat equity shares) and Employee Stock Option Scheme of the Company under any scheme.
- 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.

29. CAUTIONARY STATEMENTS

Certain statements in the "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.

30. ACKNOWLEDGEMENT

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support.

The Directors also thank the Government of India, Governments of various states in India, Governments of various countries and concerned Government departments and agencies for their co-operation.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

The Directors appreciate and value the contribution made by every member of the ORL family.

On behalf of the Board of Directors

Dr. Vijay Sharma
Chairman
(DIN:00880113)

Gurugram, 29 June 2020

ANNEXURE I

Form AOC-1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Name of the subsidiary company	:	Intermetal Engineers (India) Private Limited
Date of becoming subsidiary	:	18 May 2020
Start date of accounting period of subsidiary	:	1 April 2019
End date of accounting period of subsidiary	:	31 March 2020
Reporting currency	:	**INR**
Exchange rate	:	1.000
		(in Rs. Lacs)
Share capital	:	1.60
Reserves and surplus	:	976.16
Total Assets	:	1,138.84
Total Liabilities	:	158.08
Investments	:	-
Turnover	:	430.78
Profit before tax	:	60.45
Provision for tax	:	2.65
Profit after tax	:	48.34
Proposed dividend	:	-
% of shareholding	:	100
Country	:	India

On behalf of the Board of Directors

Sanjeev Bhardwaj
Chief Financial Officer

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Dr. Vijay Sharma
Chairman
(DIN:00880113)

Sanjay Kumar
Company Secretary
(ACS-17021)

Manoj Gupta
Joint Vice President (F&A)

Gurugram, 29 June 2020

ANNEXURE II

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1.	A brief outline of the Company's Corporate Social Responsibility (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	- Ms. Sonu Chadha (Chairperson) - Mr. Erwin Jankovits - Mr. Parmod Sagar
3.	Average net profit of the Company for last three financial years	Rs. 12,598.64 lacs
4.	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 251.97 lacs
5.	Details of CSR spent for the financial year.	
	(a) Total amount to be spent for the financial year	Rs. 169.25 lacs
	(b) Amount unspent, if any	Rs. 82.72 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 percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.	Delay in identifying the skill development projects in India, and also delay in collaboration with the local authority for allotment of land at public places to construct the public toilets under Swatch Bharat Mission resulting in unspent amount in CSR as compared to budget.
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 incompliance with the CSR objectives and Policy of the Company

On behalf of the Board of Directors

	Parmod Sagar	**Sonu Chadha**	**Dr. Vijay Sharma**
	Managing Director & CEO	Chairperson-CSR Committee	Chairman
Gurugram, 29 June 2020	(DIN: 06500871)	(DIN: 00129923)	(DIN:00880113)

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Project or programs Local area or other 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: Direct expenditure on projects or programs Overheads**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through Implementing agency**
				(in Rs. Lacs)			
1.	Contribution to Clean Ganga Fund	Clean Ganga Fund	Pan-India	30.00	30.00	30.00	Direct
2.	Contribution to Prime Minister's National Relief Fund	Prime Minister's National Relief Fund		15.00	15.00	15.00	
3.	Contribution to Swachh Bharat Kosh	Swach Bharat Kosh		10.00	10.00	10.00	
4.	Contribution to Chief Minister's Relief Fund-Govt. of Odisha	Relief fund set up by State Govt. to help Cyclone Fani victims	Odisha	25.00	25.00	25.00	
5.	Contribution to Chief Minister's Relief Fund-Govt. of Maharashtra	Relief fund set up by State Govt. to help Cyclone Nisarga victims	Maharashtra	15.00	15.00	15.00	
6.	Contribution to Center for human care	Socio Economic Development	Delhi	5.00	5.00	5.00	
7.	Contribution to The Earth Saviours Foundation	Measures for reducing Inequalities faced by socially & economically backward groups	Gurugram, Haryana	10.00	10.00	10.00	
8.	Contribution to South East Asia Institute	Promoting Health Care including Preventive Healthcare	Jaipur, Rajasthan	10.00	10.00	10.00	
9.	Contribution to Bhiwadi Jal Pradushan Nivaran Association	Ensuring Environmental Sustainability	Alwar, Rajasthan	2.00	2.00	2.00	
10.	Maintenance of ambulance donated to a trust	Promoting Health Care including Preventive Healthcare		6.26	6.26	6.26	
11.	Rotary foundation	Promoting Girl Education		22.72	22.72	22.72	through Implementing Agency
12.	Rotary Club of Bhiwadi-Shakti	Skill development of women for providing employment		0.42	0.42	0.42	
13.	Bhiwadi Manufacturing Association	Distribution of food packets to poor people during Covid-19 lockdown		2.36	2.36	2.36	
14.	Swachh Bharat Mission	Construct the public toilets		40.00	-	-	Direct
15.	Skill Development Projects	Skill development for providing employment to local people		43.00	-	-	
16.	Miscellaneous	Administrative Expenses		1.29	1.29	1.29	
			Total	**252.25**	**169.25**	**169.25**	

ANNEXURE III

Secretarial Audit Report

for the financial year ended 31 March 2020

[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
CIN : L28113MH2010PLC312871

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 2020 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 2020 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, 2018 and amendments from time to time- **Not Applicable as there was no reportable event during the financial year under review;**

   d) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable as there was no reportable event during the financial year under review;**

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable as there was no reportable event during the financial year under review;**

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client- **Not Applicable as there was no reportable event during the financial year under review;**

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable as there was no reportable event during the financial year under review;**

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable as there was no reportable event during the financial year under review;**

vi. As per management, there are no specific laws applicable to Company as stated in ICSI guidance note on secretarial audit.

We have also examined compliance with the applicable provisions 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 and Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited.

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 2020 was less than the prescribed amount. Amount unspent during the financial year was approx. Rs. 82.72 Lacs.

The Company was in Non-Compliance with regard to appointment of Independent Women Director till 12.08.2019 and No. of Directors being less than six till 12.08.2019 and also during 1.1.2010 to 10.02.2020 as required in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further in violation of the requirements of regulation 17(1A) of said Regulations, Mr. Rama Shankar Bajoria continued to hold office of Independent Director without approval of shareholders by means of a special resolution (as he crossed 75 Years of age as on 1 April 2019). To comply with the above regulations,the Company appointed Ms. Sonu Chadha as Independent Women Director on 13.08.2019 and also increased its no. of Directors to minimum 6 during the year under review. The appointment of Mr. Rama Shankar Bajoria was regularised in the AGM held during the year 2019.

The NSE & BSE also imposed fine on Company for Delay in furnishing prior Intimation of Board meeting which was duly paid by the Company.

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 except to the extent mentioned hereinabove. 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 was 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 the following events have occurred which had a major bearing on the Company’s affairs in pursuance of the laws, rules, regulations, guidelines, standards etc:-

a. The Company during the year acquired 100% shareholding of Intermetal Engineers India Private Limited, Mumbai (IEIPL) [CIN: U28920MH1988PTC047421] to make it a wholly owned subsidiary (“WoS”) of ORL.

b. The Company during the year purchased a plant located at Unit II, Bainchua, Tangi, Cuttack, Odisha and immovable properties from Manishri Refractories Ceramics Private Limited at a consideration of Rs. 43,76,00,000/-

c. The Scheme of Amalgamation and Arrangement between Orient Refractories Limited and RHI India Private Limited & RHI Clasil Private Limited and their respective shareholders (“Scheme”) was rejected by the Hon’ble National Company Law

Tribunal, Mumbai Bench (''NCLT'') vide its order dated 2nd March 2020 and the Company informed the same to the Stock exchanges on 5th March 2020.

d. The Company on 18th March 2020 has informed stock exchanges that an appeal will be filed with National Company Law Appellate Tribunal against the order dated 2nd March 2020 of National Company Law Tribunal, Mumbai bench, rejecting the captioned scheme of amalgamation and arrangement.

For Naresh Verma & Associates
Company Secretaries

Naresh Verma
CP: 4424, FCS: 5403
UDIN: F005403B000388731

Place : Delhi
Date : 29 June 2020

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.

Annexure-A

To,
The Members,
Orient Refractories Limited
CIN: L28113MH2010PLC312871

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

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

For Naresh Verma & Associates
Company Secretaries

Naresh Verma
CP: 4424, FCS: 5403
UDIN: F005403B000388731

Place : Delhi
Date : 29 June 2020

ANNEXURE IV

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. By Productivity enhancement:

15 percent productivity increased in precast section. This could be achieved by using rubber liners in place of steel liners and by vibrating of 4 moulds in place of 2 moulds simultaneously on vibration table.

ii. By automation and using superior technology:

Airconditioning is major power consumption area. Feedback loop system has been introduced to control temperature and humidity. This has reduced overconsumption of power.

iii. Alternate fuel and cleaner fuel:

Shuttle Kilns in the plant are being converted from oil-firing type to gas firing type. In the year 2018-19 the Company have started with 2 nos. Slide Gate Shuttle kilns where oil burners and pipelines have been replaced by gas burners, gas valve train and pipelines. The kiln temperature cycle is controlled by PLC and SCADA. Natural gas shall be used as an alternate fuel which is a cleaner and environment-friendly fuel. Recuperator has been placed in flue line to reuse the waste heat. Overall fuel cost has gone down significantly by this initiative.

In 2019-20 conversion of 3 more kilns in Slide gate is in progress. The conversion was completed in time. Usage of oil for slide gate firing has been stopped. CCR kiln conversion will be completed in year 2020.

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.

Company has introduced co-pressed slide gate plates. The plate life has increased substantially and has helped in increasing productivity at customer end. Slide plates and nozzles with argon purging facility have also been developed. Trials at customer end are going on.

Last year we could develop Mono tube to use with Nozzle changer and special design of sub entry nozzles. Alternate materials have been used to increase life of sub entry nozzles.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Rs. Lacs)

Particulars	2019-20	2018-19
Earnings	12,330.19	14,616.38
Outgo	11,715.95	14,921.99

On behalf of the Board of Directors

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Dr. Vijay Sharma
Chairman
(DIN:00880113)

Gurugram, 29 June 2020

ANNEXURE-V

Form No. MGT 9
Extract of Annual Return as on 31 March 2020

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	L28113MH2010PLC312871
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 90600 Fax No.: +91 22 660 90601 E-mail: Bhi_ho@RHIMagnesita.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:

Sr. 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	23993	73.55
2.	Trading of Refractory items	-	21.57

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. 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	66.49	Section 2(46)
2.	Intermetal Engineers (India) Private Limited	U28920MH1988PTC047421	Subsidiary	100.00	Section 2(87)

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	-	-	-	-	-	-	-	-	-
c) State Government	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks /FI	-	-	-	-	-	-	-	-	-
e) Any Other	79,877,771	-	79,877,771	66.49	79,877,771	-	79,877,771	66.49	-
Sub Total (A) (2)	**79,877,771**	**-**	**79,877,771**	**66.49**	**79,877,771**	**-**	**79,877,771**	**66.49**	**-**
Total Shareholding of Promoters (A)	**79,877,771**	**-**	**79,877,771**	**66.49**	**79,877,771**	**-**	**79,877,771**	**66.49**	**-**
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	12,499,265	-	12,499,265	10.40	13,999,940	-	13,999,940	11.65	1.25
b) Banks/FI	58,941	5,000	63,941	0.05	67,372	5,000	72,372	0.06	0.01
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Government	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	845,600	-	845,600	0.70	0.70
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Any Other Foreign	4,873,348	-	4,873,348	4.06	13,831	-	13,831	0.01	(4.04)
j) Any Other	366,252	-	366,252	0.30	90,458	-	90,458	0.08	(0.23)
Sub-Total (B)(1)	**17,797,806**	**5,000**	**17,802,806**	**14.82**	**15,017,201**	**5,000**	**15,022,201**	**12.50**	**(2.31)**
2. Non-Institutions									
a) Bodies Corporate - Indian	2,630,467	16,240	2,646,707	2.20	1,892,362	16,240	1,908,602	1.59	(0.61)
b) Individuals									
1) Individual shares holders having nominal share capital up to Rs. 1 Lac	12,311,498	1,431,790	13,743,288	11.44	12,438,866	1,277,635	13,716,501	11.42	(0.02)
2) Individual shares holders having nominal share capital Excess of Rs. 1 Lac	1,508,949	-	1,508,949	1.26	1,482,097	-	1,482,097	1.23	(0.02)
c) Others									
- HUF	439,305	-	439,305	0.37	484,514	-	484,514	0.40	0.04
- Non-Resident Indian	420,343	574	420,917	0.35	555,372	574	555,946	0.46	0.11
- Foreign National	2,050	-	2,050	0.00	-	-	-	-	(0.00)
- Clearing Members	79,683	-	79,683	0.07	48,064	-	48,064	0.04	(0.03)
- Trust	-	-	-	-	-	-	-	-	-
- Foreign Bodies-DR	668,674	-	668,674	0.56	4,119,789	-	4,119,789	3.43	2.87
- NBFC Registered With RBI	31,000	-	31,000	0.03	30,000	-	30,000	0.02	(0.00)
- Orient refractories Limited-Unclaimed suspense Account	2,918,050	-	2,918,050	2.43	1,000	-	1,000	0.00	(2.43)
- IEPF	-	-	-	-	2,892,715	-	2,892,715	2.41	2.41
Sub-Total (B)(2)	**21,010,019**	**1,448,604**	**22,458,623**	**18.69**	**23,944,779**	**1,294,449**	**25,239,228**	**21.01**	**2.31**
Total Public Shareholding (B)	**38,807,825**	**1,453,604**	**40,261,429**	**33.51**	**38,961,980**	**1,299,449**	**40,261,429**	**33.51**	**-**
C) Shares Held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total	**118,685,596**	**1,453,604**	**120,139,200**	**100.00**	**118,839,751**	**1,299,449**	**120,139,200**	**-**	**-**

(ii) Shareholding of promoters

Sr. no.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of Shares pledged encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares pledged encumbered to total shares	
1.	Dutch U.S. Holding B.V.	79,877,771	66.49	-	79,877,771	66.49	-	-
	Total	79,877,771	66.49	-	79,877,771	66.49	-	-

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

Sr. 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	79,877,771	66.49	79,877,771	66.49
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.)	-	-	79,877,771	66.49
3.	At the end of the year	79,877,771	66.49	79,877,771	66.49

(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

Sr. no.	Name of Shareholder	Remarks	Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	L&T Mutual Fund Trustee Limited -L&T Emerging Opportunities Fund - Series II	**At the beginning of the year**	01-Apr-19	5,982,500	4.98	5,982,500	4.98
		Purchase	30-Aug-2019	2,197	0.00	5,984,697	4.98
		Purchase	6-Sep-2019	12,803	0.01	5,997,500	4.99
		Sale	4-Oct-2019	(150,000)	(0.12)	5,847,500	4.87
		Purchase	31-Dec-2019	42,050	0.04	5,889,550	4.90
		Purchase	3-Jan-2020	76,269	0.06	5,965,819	4.97
		At the end of the year	**31-Mar-2020**			**5,965,819**	**4.97**
2	Pinebridge Global Funds - Pinebridge India Equity Fund	**At the beginning of the year**	01-Apr-19	611,181	0.51	611,181	0.51
		Sale	12-Apr-2019	(1,066)	(0.00)	610,115	0.51
		Sale	19-Apr-2019	(7,618)	(0.01)	602,497	0.50
		Sale	26-Apr-2019	(4,633)	(0.00)	597,864	0.50
		Sale	3-May-2019	(3,405)	(0.00)	594,459	0.49
		Sale	10-May-2019	(4,635)	(0.00)	589,824	0.49
		Sale	31-May-2019	(9,303)	(0.01)	580,521	0.48
		Purchase	6-Mar-2020	1,609,479	1.34	2,190,000	1.82
		Purchase	13-Mar-2020	1,014,012	0.84	3,204,012	2.67
		Sale	20-Mar-2020	(69,246)	(0.06)	3,134,766	2.61
		At the end of the year	**31-Mar-2020**			**3,134,766**	**2.61**

Sr. no.	Name of Shareholder	Remarks	Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
3.	HDFC Trustee Co Ltd A/C HDFC Retirement Savings Fund-Hybrid-Debt Plan	**At the beginning of the year**	01-Apr-19	3,004,386	2.50	3,004,386	2.50
		Sale	19-Apr-2019	(17,000)	(0.01)	2,987,386	2.49
		At the end of the year	**31-Mar-2020**			2,987,386	2.49
4.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Small Cap Fund	**At the beginning of the year**	01-Apr-19	238,205	0.20	238,205	0.20
		Purchase	5-Apr-2019	20,842	0.02	259,047	0.22
		Purchase	17-May-2019	1,846	0.00	260,893	0.22
		Purchase	24-May-2019	14,016	0.01	274,909	0.23
		Purchase	31-May-2019	180,000	0.15	454,909	0.38
		Purchase	7-Jun-2019	25,096	0.02	480,005	0.40
		Purchase	14-Jun-2019	38,201	0.03	518,206	0.43
		Purchase	18-Jul-2019	511	0.00	518,717	0.43
		Purchase	2-Aug-2019	5,000	0.00	523,717	0.44
		Purchase	9-Aug-2019	38,119	0.03	561,836	0.47
		Purchase	16-Aug-2019	292,307	0.24	854,143	0.71
		Purchase	23-Aug-2019	28,996	0.02	883,139	0.74
		Purchase	30-Aug-2019	39,338	0.03	922,477	0.77
		Purchase	6-Sep-2019	25,079	0.02	947,556	0.79
		Purchase	13-Sep-2019	24	0.00	947,580	0.79
		Purchase	20-Sep-2019	39,280	0.03	986,860	0.82
		Purchase	27-Sep-2019	17,298	0.01	1,004,158	0.84
		Purchase	25-Oct-2019	10,285	0.01	1,014,443	0.84
		Purchase	1-Nov-2019	37,517	0.03	1,051,960	0.88
		Purchase	8-Nov-2019	21,311	0.02	1,073,271	0.89
		Purchase	6-Dec-2019	41,795	0.03	1,115,066	0.93
		Purchase	13-Dec-2019	52,961	0.04	1,168,027	0.97
		Purchase	27-Dec-2019	46,599	0.04	1,214,626	1.01
		Purchase	31-Dec-2019	13,158	0.01	1,227,784	1.02
		Purchase	3-Jan-2020	8,950	0.01	1,236,734	1.03
		Purchase	10-Jan-2020	8,414	0.01	1,245,148	1.04
		Purchase	17-Jan-2020	155,083	0.13	1,400,231	1.17
		Purchase	31-Jan-2020	1,350	0.00	1,401,581	1.17
		Purchase	14-Feb-2020	985,468	0.82	2,387,049	1.99
		Purchase	28-Feb-2020	115,350	0.10	2,502,399	2.08
		Purchase	6-Mar-2020	212,736	0.18	2,715,135	2.26
		Purchase	20-Mar-2020	26,485	0.02	2,741,620	2.28
		At the end of the year	**31-Mar-2020**			**2,741,620**	**2.28**

Sr. no.	Name of Shareholder	Remarks	Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Balanced Advantage Fund	**At the beginning of the year**	01-Apr-19	2,049,946	1.71	2,049,946	1.71
		Purchase	27-Dec-2019	10,000	0.01	2,059,946	1.71
		At the end of the year	**31-Mar-2020**			**2,059,946**	**1.71**
6.	Bajaj Allianz Life Insurance Company Limited	**At the beginning of the year**	01-Apr-19	717,548	0.60	717,548	0.60
		Purchase	5-Apr-2019	2,000	0.00	719,548	0.60
		Sale	30-Aug-2019	(19,548)	(0.02)	700,000	0.58
		Purchase	4-Oct-2019	5,000	0.00	705,000	0.59
		Purchase	1-Nov-2019	1,000	0.00	706,000	0.59
		Purchase	3-Jan-2020	1,600	0.00	707,600	0.59
		Purchase	24-Jan-2020	20,000	0.02	727,600	0.61
		Purchase	31-Jan-2020	56,000	0.05	783,600	0.65
		Purchase	7-Feb-2020	27,000	0.02	810,600	0.67
		Purchase	14-Feb-2020	14,000	0.01	824,600	0.69
		Purchase	21-Feb-2020	6,000	0.00	830,600	0.69
		Purchase	6-Mar-2020	15,000	0.01	845,600	0.70
		At the end of the year	**31-Mar-2020**			**845,600**	**0.70**
7.	Vikram Advisory Services Private Limited	**At the beginning of the year**	01-Apr-19	232,000	0.19	232,000	0.19
		Purchase	19-Jul-2019	2,500	0.00	234,500	0.20
		Purchase	26-Jul-2019	3,348	0.00	237,848	0.20
		Purchase	2-Aug-2019	6,652	0.01	244,500	0.20
		Purchase	9-Aug-2019	5,000	0.00	249,500	0.21
		Purchase	16-Aug-2019	1,750	0.00	251,250	0.21
		Purchase	15-Nov-2019	4,739	0.00	255,989	0.21
		Purchase	22-Nov-2019	12,761	0.01	268,750	0.22
		Purchase	29-Nov-2019	5,000	0.00	273,750	0.23
		Purchase	20-Dec-2019	12,599	0.01	286,349	0.24
		Purchase	27-Dec-2019	7,401	0.01	293,750	0.24
		Purchase	13-Mar-2020	2,581	0.00	296,331	0.25
		Purchase	20-Mar-2020	4,414	0.00	300,745	0.25
		Purchase	27-Mar-2020	90	0.00	300,835	0.25
		Purchase	31-Mar-2020	2,415	0.00	303,250	0.25
		At the end of the year	**31-Mar-2020**			**303,250**	**0.25**
8.	SNK Investments Private Limited	**At the beginning of the year**	01-Apr-19	297,257	0.25	297,257	0.25
		At the end of the year	**31-Mar-2020**			**297,257**	**0.25**
9.	Government of Singapore - E	**At the beginning of the year**	01-Apr-19	492,930	0.41	492,930	0.41
		Sale	14-Jun-2019	(8,963)	(0.01)	483,967	0.40
		Sale	14-Feb-2020	(204,256)	(0.17)	279,711	0.23
		At the end of the year	**31-Mar-2020**			**279,711**	**0.23**
10.	Pinebridge India Equity Fund	**At the beginning of the year**	01-Apr-19	404,000	0.34	404,000	0.34
		Sale	24-May-2019	(17,313)	(0.01)	386,687	0.32
		Sale	31-May-2019	(40,893)	(0.03)	345,794	0.29
		Sale	7-Feb-2020	(13,413)	(0.01)	332,381	0.28
		Sale	14-Feb-2020	(200,000)	(0.17)	132,381	0.11
		At the end of the year	**31-Mar-2020**			**132,381**	**0.11**

Sr. no.	Name of Shareholder	Remarks	Transaction Date	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
11.	BOI AXA Small Cap Fund	**At the beginning of the year**	01-Apr-19	573,763	0.48	573,763	0.48
		Sale	31-May-2019	(119,922)	(0.10)	453,841	0.38
		Sale	2-Aug-2019	(18,538)	(0.02)	435,303	0.36
		Sale	9-Aug-2019	(6,332)	(0.01)	428,971	0.36
		Sale	6-Sep-2019	(2,569)	(0.00)	426,402	0.35
		Sale	13-Sep-2019	(12,019)	(0.01)	414,383	0.34
		Sale	25-Oct-2019	(29,000)	(0.02)	385,383	0.32
		Sale	1-Nov-2019	(15,986)	(0.01)	369,397	0.31
		Purchase	8-Nov-2019	1,866	0.00	371,263	0.31
		Sale	29-Nov-2019	(5,840)	(0.00)	365,423	0.30
		Sale	20-Dec-2019	(8,000)	(0.01)	357,423	0.30
		Sale	27-Dec-2019	(55,388)	(0.05)	302,035	0.25
		Sale	31-Dec-2019	(58,000)	(0.05)	244,035	0.20
		Sale	3-Jan-2020	(11,242)	(0.01)	232,793	0.19
		Sale	24-Jan-2020	(21,916)	(0.02)	210,877	0.18
		Sale	31-Jan-2020	(27,622)	(0.02)	183,255	0.15
		Sale	14-Feb-2020	(10,678)	(0.01)	172,577	0.14
		Sale	6-Mar-2020	(100,000)	(0.08)	72,577	0.06
		At the end of the year	**31-Mar-2020**			**72,577**	**0.06**
12.	Pinebridge Investments GF Limited	**At the beginning of the year**	01-Apr-19	**3,301,512**	**2.75**	3,301,512	2.75
		Sale	06-Mar-20	(2,287,500)	(1.90)	1,014,012	0.84
		Sale	13-Mar-20	(1,014,012)	(0.84)	-	-
		At the end of the year	**31-Mar-2020**			**-**	**-**

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:

Sr. no.	Shareholders' name	Remarks	Date	Shareholding		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-2019	13,698	0.01	13,698	0.01
		Purchase/Sale during the year	-	-	-	-	
		At the end of the year	31-Mar-2020	13,698	0.01	13,698	0.01
2.	Mr. Sanjeev Bhardwaj-KMP	At the beginning of the year	1-Apr-2019	2,250	0.00	2,250	0.00
		Purchase/Sale during the year	-	-	-	-	-
		At the end of the year	31-Mar-2020	2,250	0.00	2,250	0.00

Following Directors/Key Managerial Personnel did not hold any shares during the year 2019-20.

Dr. Vijay Sharma, Mr. R.S. Bajoria, Ms. Sonu Chadha, Mr. Erwin Jankovits, Ms. Jacqueline Michelle Knox, Mr. Luiz Gustavo Rossato-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)

Sr. 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 Act, 1961	247.38	247.38
	(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)	**247.78**	**247.78**
		Ceiling as per the Act	**602.31**

B. Remuneration to other directors

i. Independent Directors **(Amount in Rs. Lacs)**

Sr. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Dr. Vijay Sharma	Mr. R.S. Bajoria	Ms. Sonu Chadha	
1.	Fee for attending Board/Committee Meetings	5.00	5.00	3.00	13.00
2.	Commission	-	-		-
3.	*Others, please specify*	-	-		-
	Total (Bi)	**5.00**	**5.00**	**3,00**	**13.00**

ii. Other Non-Executive Directors

Sr. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Erwin Jankovits	Mr. Reinhold Steiner	Ms. Verena Buzzi	Ms. Jacqueline Michelle Knox	Mr. Luiz Gustavo Rossato	
1.	Fee for attending Board/Committee meetings	-	-	-	-	-	-
2.	Commission	-	-	-	-	-	-
3.	Others, *please specify*	-	-	-	-	-	-
	Total (B ii)	-	-	-	-	-	-
	Total (B)=(B i +B ii)						**13.00**
	Total Managerial Remuneration (A+B)						**260.78**
	Overall ceiling as per the Act.						**1,325.09**

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

Sr. no.	Particulars of remuneration	Key Managerial Personnel		Total Amount
		Mr. Sanjay Kumar	Mr. Sanjeev Bhardwaj	
1.	**Gross salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act,1961	16.42	95.03	111.45
	(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	**16.42**	**95.43**	**111.85**

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

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Dr. Vijay Sharma
Chairman
(DIN:00880113)

Gurugram, 29 June 2020

ANNEXURE VI

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 2019-20 are given below:

	Ratio to median remuneration	% increase in remuneration in the financial year
Non-Executive Directors		
-Independent Directors		
Dr. Vijay Sharma	4.46	25.00
Mr. R. S. Bajoria	1.12	25.00
Ms. Sonu Chadha*	0.67	-
-Non-Independent Directors		
Mr. Reinhold Steiner	-	-
Mr. Erwin Jankovits	-	-
Ms. Verena Buzzi	-	-
Ms. Jacqueline Michelle Knox	-	-
Mr. Luiz Gustavo Rossato	-	-
Executive Director		
Mr. Parmod Sagar	62.46	0.87
Key Managerial Personnel		
Mr. Sanjeev Bhardwaj-CFO	23.95	9.09
Mr. Sanjay Kumar-Company Secretary	4.40	13.42

The above mentioned Non-Executive Non-Independent Directors are not drawing any remuneration from the Company.

** Appointed on 13 August 2019*

3. The percentage increase in the median remuneration of employees in the financial year : 9.87 %

4. The number of permanent employees on the rolls of the Company : 456

5. Average percentile increases 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 was13.44% on a cost to Company basis, as against an increase of 0.87% 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

Sr. 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) (55 Years)	B.E. (Mech.)	37	15.04.1992	278.61	Orient Abrasives Ltd. (Sr. Vice President
2.	Mr. Sanjeev Bhardwaj (Chief Financial Officer) (55 Years)	Chartered Accountant & Company Secretary	32	10.06.2013	106.82	Sterling Tools Ltd. (Vice President)
3.	Mr. Purshottam Dass (Senior Vice President) (58 Years)	B.E. (Electrical & Electronics)	33	01.01.2013	68.21	Samtel India Ltd. (Vice President)
4.	Mr. Suneel Chawla (Vice President) (56 Years)	B.Com. & Company Secretary	37	21.10.2015	61.37	Jindal Steel & Power Ltd. (General Manager)
5.	Mr. Manoj Gupta (Joint Vice President) (46 Years)	Chartered Accountant & Cost Management Accountant	22	23.08.2008	42.36	Orient Abrasives Ltd. (Sr. General Manager
6.	Mr. Manoj Kumar Rout (Asst. Vice President) (49 Years)	B.Sc. PG Dip. in Computer Application	27	15.11.2008	31.25	Orient Abrasives Ltd. (General Manager)
7.	Mr. Ishwar Singh (General Manager) (61 Years)	B.A. & L.L.B.	39	26.11.1980	25.59	Orient Abrasives Ltd. (Dy. General Manager)
8.	Mr. Abhijit Kashyap Borah (General Manager) (42 Years)	B.A.(Economics)	18	11.02.2019	25.37	Water Health International (Head-Marketing Communication)
9.	Mr. Bhupender Kumar Tiwari (Dy. General Manager) (54 Years)	B.Sc.	24	28.04.1997	24.29	Orient Abrasives Ltd. (Asst. General Manager)
10.	Mr. Subir Si (General Manager) (51 Years)	M.Tech. (Ceramic Technology)	25	11.02.2019	23.72	OCL India Ltd. (Sr.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

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Dr. Vijay Sharma
Chairman
(DIN:00880113)

Gurugram, 29 June 2020

ANNEXURE VII

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 organization. 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 the 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 2020, comprised 6 directors, of which 5 were Non-Executive Directors. The Company Board includes a Non-Executive Independent Chairman and 2 other 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 other public limited companies are given below:

Director	Category	No. of board meetings attended during 2019-20	Attendance at AGM held on 23 July 2019	No. of directorships* (As on 31 March 2020)			No. of committee positions in mandatory committees* (As on 31 March 2020)		
				Chairman	Member	Total	Chairman	Member	Total
Dr. Vijay Sharma (Chairman) DIN- 00880113	Independent, Non-Executive	5	Yes	-	-	-	-	-	-
Mr. R. S. Bajoria DIN- 00033727	Independent, Non-Executive	5	Yes	-	1	1	-	-	-
Ms. Sonu Chadha DIN- 00129923 *Appointed on 13 August 2019*	Independent, Non-Executive	3	NA	-	-	-	-	-	-
Mr. Reinhold Steiner DIN- 06674749 *Resigned on 1 April 2019*	Non-Independent, Non-Executive	-	NR	-	-	-	-	-	-
Mr. Erwin Jankovits DIN- 07089589	Non-Independent, Non-Executive	2	No	-	-	-	-	-	-
Ms. Verena Buzzi DIN- 07901672 *Resigned on 1 April 2019*	Non-Independent, Non-Executive	-	NR	-	-	-	-	-	-
Ms. Jacqueline Michelle Knox DIN-08413227 *Resigned on 31 December 2019*	Non-Independent, Non-Executive	2	No	-	-	-	-	-	-
Mr. Luiz Gustavo Rossato DIN-08695654 *Appointed on 11 February 2020*	Non-Independent, Non-Executive	-	NR	-	-	-	-	-	-
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 five (5) board meetings during 2019-20 and the gap between two meetings did not exceed 120 days. The dates on which the board meetings were held 30 April 2019; 28 May 2019; 13 August 2019; 4 November 2019 and 11 February 2020. The necessary quorum was present for all the meetings.

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 11 February 2020, 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.

All 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& CEO. 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. The details of the familiarization program imparted to Independent Director is available on website link *www.orientrefractories.com/pdfs/Familiarisation%20 Programme%20for%20Independent%20Directors.pdf 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 2019-20
Dr. Vijay Sharma, Chairman	Independent, Non-Executive	5
Mr. R. S. Bajoria, Member		5
Ms. Sonu Chadha, Member *[Inducted on 4 November 2019]*		2
Mr. Erwin Jankovits, Member *[Opted out 4 November 2019]*	Non-Independent, Non-Executive	2
Ms. Jacqueline Michelle Knox, Member *[Inducted on 4 November 2019 & Resigned on 31 December 2019]*		-
Mr. Luiz Gustavo Rossato, Member *[Inducted on 11 February 2020]*		-

The Audit Committee met five (5) 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 April 2019; 28 May 2019; 13 August 2019; 4 November 2019 and 11 February 2020. 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 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 23 July 2019.

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 Director, 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 2019-20
Mr. R. S. Bajoria, Chairman	Independent, Non-Executive	3
Dr. Vijay Sharma, Member		3
Mr. Erwin Jankovits, Member	Non-Independent, Non-Executive	1

The Committee met three (3) times during the year i.e. on 28 May 2019, 13 August 2019 and 11 February 2020. The Chairman of the Committee, Mr. R. S. Bajoria was present at the Annual General Meeting of the Company held on 23 July 2019.

Details of Remuneration Paid

- **Remuneration paid to the Managing Director & CEO**

(Amount in Rs. Lacs)

Particulars	Mr. Parmod Sagar- Managing Director & CEO
Salary	175.69
Perquisites and allowances	90.88
Retirement benefits	12.04
Total	**278.61**

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) & potential bonus (variable component) to Mr. Parmod Sagar, Managing Director & CEO.

- **Remuneration paid to the Non-Executive Directors**

The Company pays sitting fee and 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 2019-20 are as follows:

(Amount in Rs. Lacs)

Name of director	Sitting fees
Dr. Vijay Sharma	5.00
Mr. R. S. Bajoria	5.00
Ms. Sonu Chadha	3.00

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 2020.

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 share 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 11 February 2020. The composition of the Stakeholders' Relationship Committee and the details of the meetings attended by the members during the year are given below:

Name of the member	Category	No. of meetings attended during 2019-20
Dr. Vijay Sharma, Chairman *[Opted out on 4 November 2019]*	Independent, Non-Executive	-
Mr. R. S. Bajoria, Member *[Opted out on4 November 2019]*		-
Ms. Sonu Chadha, Chairperson *[Inducted on 4 November 2019]*		1
Mr. Parmod Sagar, Member	Non-Independent, Executive	1
Ms. Jacqueline Michelle Knox, Member *[Inducted on 4 November 2019 & Resigned on 31 December 2019]*	Non-Independent, Non-Executive	-
Mr. Luiz Gustavo Rossato, Member *[Inducted on 11 February 2020]*		-

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
e-mail: Sanjay.Kumar@RHIMagnesita.com

Shareholders may also correspond with the Company on the e-mail address: investor@orlindia.com. Nil (0) case was reported as complaint and no complaint were pending on 31 March 2020. No request for dematerialization of share was pending as on 31 March 2020.

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 2019-20 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 members during the year are given below:

Name of the member	Category	No. of meetings attended during 2019-20
Ms. Sonu Chadha, Chairperson *[Inducted on 4 November 2019]*	Independent, Non-Executive	-
Mr. Erwin Jankovits, Member	Non- Independent,Non-Executive	2
Mr. Parmod Sagar, Member	Non- Independent, Executive	3
Dr. Vijay Sharma, Chairman *[Opted out on 4 November 2019]*	Independent,Non-Executive	3
Mr. R. S. Bajoria, Member *[Opted out on 4 November 2019]*		3

The Committee met three (3) times during the year on: 28 May 2019, 13 August 2019 and 4 November 2019.

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 members during the year are given below:

Name of the member	Category	No. of meetings attended during 2019-20
Dr. Vijay Sharma, Chairman	Independent,Non-Executive	4
Mr. Parmod Sagar, Member	Non- Independent, Executive	4
Mr. Luiz Gustavo Rossato, Member *[Inducted on 11 February 2020]*	Non- Independent,Non-Executive	-
Ms. Jacqueline Michelle Knox, Member *[Inducted on 4 November 2019 & Resigned on 31 December 2019]*		-
Mr. R. S. Bajoria, Member *[Opted out on 4 November 2019]*	Independent, Non-Executive	4

The Committee met four (4) times during the year on: 28 May 2019;13 August 2019, 4 November 2019 and 11 February 2020.

8. GENERAL BODY MEETINGS

Location, Date and Time of Annual General Meetings held during the last 3 years and Special Resolutions passed:

Date, date and time	Venue	Special resolutions
Tuesday, 23 July 2019 At 10:30 a.m.	Kohinoor Continental, Andheri-Kurla Road, J.B. Nagar, Andheri, Mumbai- 400059	1. Reappointment of Dr. Vijay Sharma as an Independent Director, for 2nd time, of the Company. 2. Approve the continuation of directorship of Mr. R S Bajoria as an Independent Director of the Company
Monday, 10 September 2018 at 2:30 p.m.		1. Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013 2. Adoption of Articles of Association as per the provisions of the Companies Act, 2013
Monday, 25 September 2017 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

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, National Company Law Tribunal, Mumbai Bench,(NCLT) on 17 May 2019,convened meetings of Shareholders & Unsecured Creditors of the Company for "Approval of the Composite Scheme of Amalgamation among RHI India Private Limited and RHI Clasil Private Limited and Orient Refractories Limited". NCLT appointed Mr. KRCV Seshachalam as Chairman of the meeting & Mr. Suyash Mohan Guru, an Advocate, was appointed as the scrutiniser to conduct the postal ballot and e-voting process and voting at the venue of the meeting in a fair and transparent manner. Voting result of Shareholders meeting was as follows:

Resolution	Approval of the Composite Scheme of Amalgamation among RHI India Private Limited and RHI Clasil Private Limited and Orient Refractories Limited
Resolution Required:(Ordinary /Special)-	Special
Whether promoter/promoter are interested in the agenda/ resolution?	Yes

Category	Mode of Voting	No of Shares Held	No of Votes Polled	% of Votes Polled on Outstanding Shares	No of Votes-in Favour	No of Votes-Against	% of Votes in Favour on Votes Polled	% of Votes Against on Votes Polled
		(1)	(2)	(3)=[(2)/(1)]*100	(4)	(5)	(6)=[(4)/(2)]*100	(7)=[(5)/(2)]*100
Promoter & Promoter Group	E-voting	7,98,77,771	7,98,77,771	100.000	7,98,77,771	-	100.000	-
	Poll	7,98,77,771	-	-	-	-	-	-
	Postal ballot (If applicable)	7,98,77,771	-	-	-	-	-	-
	Total	7,98,77,771	7,98,77,771	100.000	7,98,77,771	-	100.000	-
Public Institution	E-voting	1,85,30,672	1,70,53,909	92.031	1,70,53,909	-	100.000	-
	Poll	1,85,30,672	1,14,000	0.615	1,14,000	-	100.000	-
	Postal ballot (If applicable)	1,85,30,672	-	-	-	-	-	-
	Total	1,85,30,672	1,71,67,909	92.646	1,71,67,909	-	100.000	-
Public Non-Institution	E-voting	2,17,30,757	11,09,304	5.105	11,06,015	3,289	99.704	0.296
	Poll	2,17,30,757	1,18,966	0.547	73,808	45,158	62.041	37.959
	Postal ballot (If applicable)	2,17,30,757	1,500	0.007	1,500	-	100.000	-
	Total	2,17,30,757	12,29,770	5.659	11,81,323	48,447	96.060	3.940
	Total	**12,01,39,200**	**9,82,75,450**	**81.801**	**9,82,27,003**	**48,447**	**99.951**	**0.049**

9. DISCLOSURES

During the year 2019-20

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. Intermetal Engineers (India) Private Limited became 100% wholly owned subsidiary (but not material subsidiary) of the Company w.e.f. 18 May 2019. There are no material subsidiary Company hence the Company has not formulated any 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, except as stated here-in-below:

The Company was in Non-Compliance with regard to appointment of Independent Women Director till 12 August 2019 and No. of Directors being less than six till 12 August 2019 and also during 1 January 2010 to 10 February 2020 as required in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further in violation of the requirements of Regulation 17(1A) of said Regulations, Mr. R. S. Bajoria continued to hold office of Independent Director till 22 July 2019 without approval of shareholders by means of a Special Resolution (as he crossed 75 Years of age as on 1 April 2019). The Company appointed Ms. Sonu Chadha as Independent Women Director on 13 August 2019 and increased its number of Directors to minimum 6 during the year under review. The appointment of Mr. R. S. Bajoria was regularised in the AGM held during the year 2019.

No penalty or strictures were imposed on the Company by Stock Exchanges/ SEBI and statutory authorities on matters related to the capital markets except in one case where there was a fine of Rs. 10,000 plus GST was imposed by BSE and NSE for delay (by 1 day) in furnishing prior Intimation of Board meeting held on 11 February 2020 which was duly paid by the Company.

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 2020.

F. The Company has a well-defined risk management framework in place. The Company periodically places before the Risk Management Committee, Audit Committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.

G. The Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have 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 financial results are also published within 48 hours in The Business Standard (in English Language) and Mumbai Lakshadweep (in Marathi Language) and 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 Language) and Mumbai Lakshadweep (in Marathi Language) and 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 are 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, Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28113MH2010PLC312871.

A. Annual General Meeting Date, Time and Venue : Friday, 28 August 2020 at 3.30 p.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

As required under Regulation 36 (3) of the Listing Regulations, particulars of the Directors seeking Re-Appointment/ Appointment are given in the explanatory statement to the notice of the Annual General Meeting attached to this report.

B. Financial calendar : 1 April 2019 to 31 March 2020

C. Date of book closure : Tuesday, 11 August 2020 to Tuesday, 18August 2020 (both days inclusive)

D. Dividend payment date : 4 September 2020

E. Listing on Stock Exchanges : The Company's equity shares are listed on the following stock exchanges:

BSE Ltd.	The National Stock Exchange of India Ltd.
Phiroze Jeejeebhoy Towers	Exchange Plaza, 5th Floor
Dalal Street Plot No. C/1 G Block,	Bandra-Kurla Complex,Bandra (E)
Mumbai 400 001	Mumbai 400 051
(Stock Code-534076)	(Stock Code-ORIENTREF)

The Company has paid the listing fees to these Stock Exchanges for the year 2019-20.

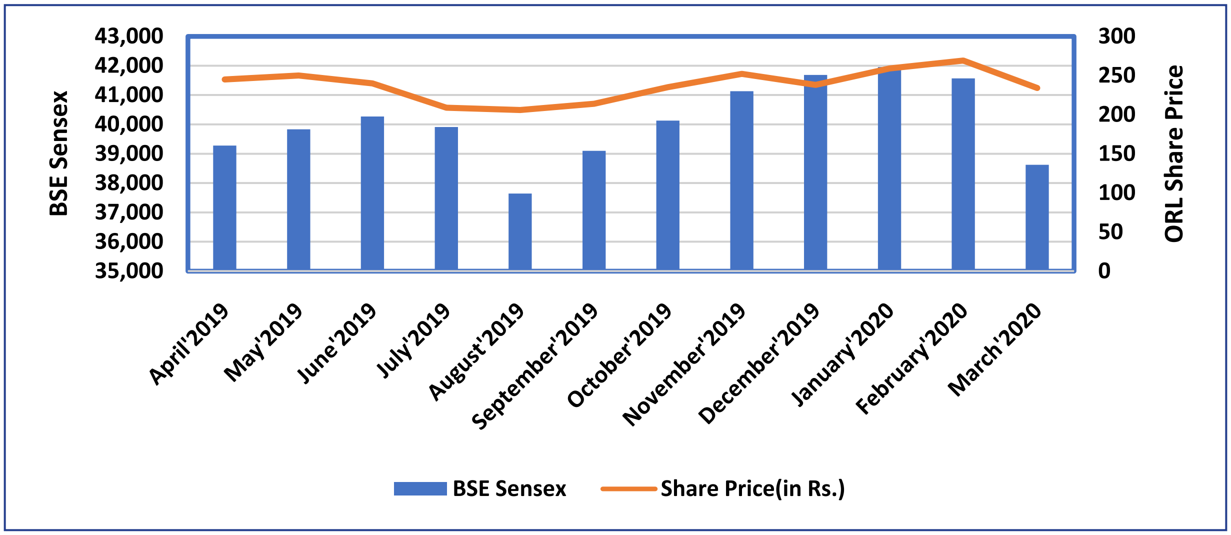
Demat International Security Identification Number (ISIN) in NSDL and CDSL for equity shares: INE743M01012

F. Market Information:

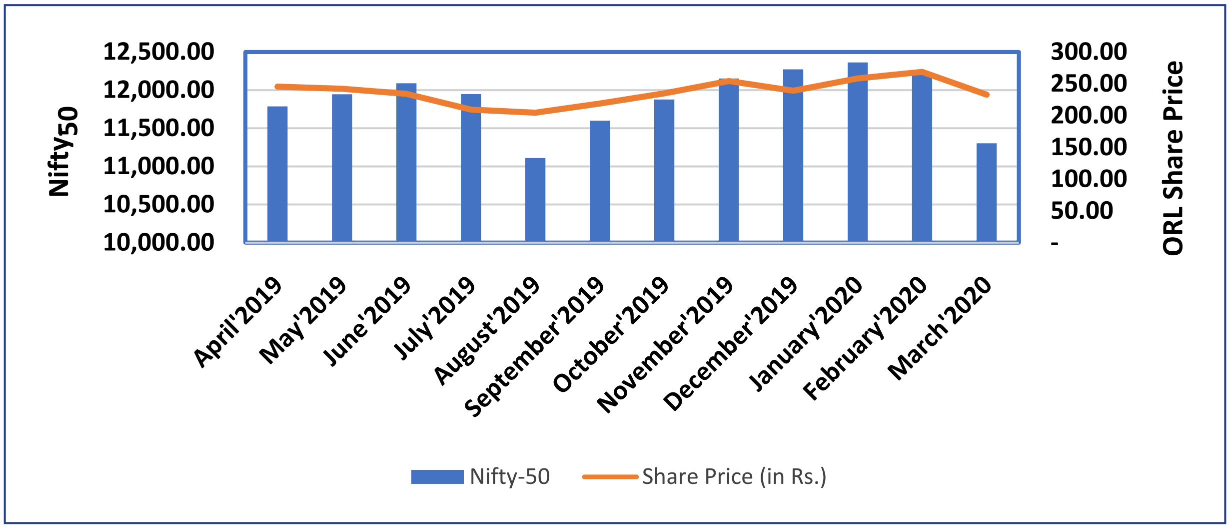
a. **Market price data:** High/ low, Number and Value of shares traded during each month in the last financial year:

Month	BSE				NSE			
	High price (Rs.)	Low price (Rs.)	No. of shares traded	Total turnover (Rs. in lacs)	High price (Rs.)	Low price (Rs.)	No. of shares traded	Total turnover (Rs. in lacs)
April'2019	245.40	232.00	36,818	87.70	245.40	231.15	340,756	811.83
May'2019	249.95	220.00	61,998	143.14	241.90	220.20	530,741	1,229.50
June'2019	240.00	194.80	537,545	1,113.61	234.00	191.10	918,523	1,923.50
July'2019	209.45	175.00	33,221	63.96	209.35	175.00	338,151	659.46
August'2019	206.00	163.65	57,116	101.76	204.40	160.00	785,079	1,386.81
September'2019	213.90	186.60	37,456	75.23	218.75	185.20	363,837	723.79
October'2019	235.20	200.10	27,833	60.52	234.75	203.15	601,072	1,288.56
November'2019	252.00	207.00	54,310	120.84	254.00	209.70	853,134	1,932.86
December'2019	238.45	223.10	59,532	136.75	238.95	221.90	958,423	2,205.12
January'2020	259.00	236.00	76,945	188.80	258.25	234.05	867,292	2,137.20
February'2020	268.50	216.65	450,760	1,151.60	268.55	216.25	1,595,298	3,921.05
March'2020	234.30	108.50	1,620,493	3,483.88	232.85	108.00	3,040,105	6,031.10

b. Performance of ORL Share Price in comparison with BSE Sensex



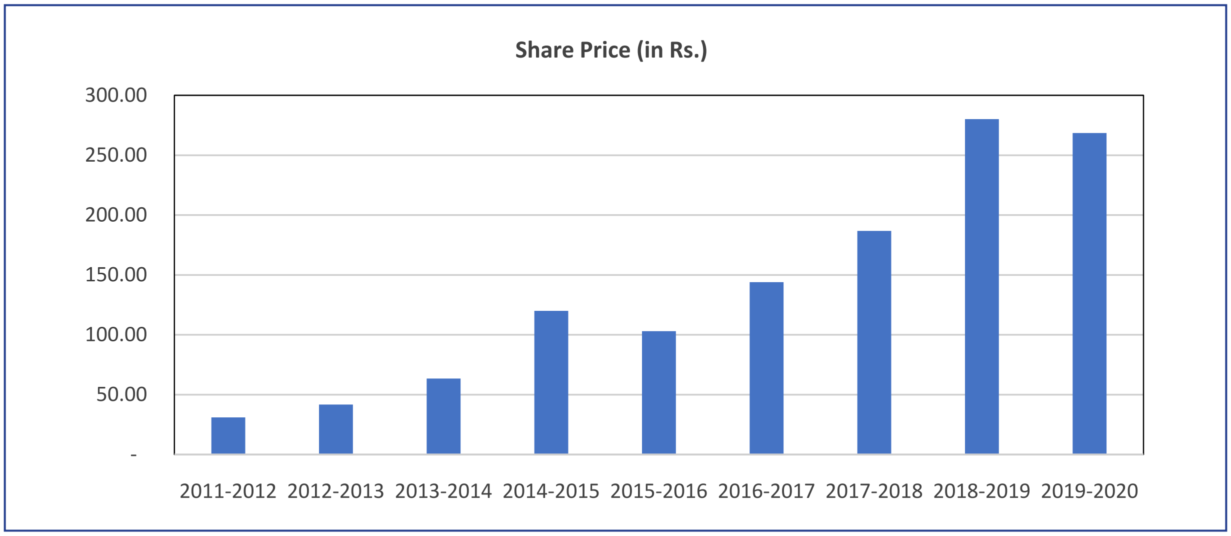
c. Performance of ORL Share Price in comparison with Nifty-50



d. Market price yearly high/low since inception of the Company

(Amount in Rs.)

Month	BSE		NSE	
	High price	Low price	High price	Low price
2019-2020	268.50	163.65	268.55	160.00
2018-2019	280.10	152.50	279.75	151.00
2017-2018	186.80	124.55	186.30	124.45
2016-2017	144.00	76.60	143.40	75.40
2015-2016	103.00	70.00	102.70	70.50
2014-2015	120.00	58.15	125.00	50.20
2013-2014	63.40	22.75	63.85	23.10
2012-2013	41.65	22.80	45.90	22.85
2011-2012	30.90	23.35	28.70	23.40



G. 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

H. 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.

I. Secretarial Audit

M/s. Naresh Verma & Associates, Practicing Company Secretaries have conducted the Secretarial Audit of the Company for the year 2019-20. 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.

J. Fees paid to statutory auditors

The total fees (excluding GST) incurred by the Company, for services rendered by Statutory Auditors and its affiliates entities, is given below:

(Amount Rs. in Lacs)

Particulars	**2019-20**
Audit fees	63.60
Limited review	13.30
Reimbursement of expenses	2.89
Total	**79.79**

K. CEO and CFO certification

The Managing Director& Chief Executive Officer and the Chief Financial Officer have issued certificate pursuant to the provisions of Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. They also certify that, to the best of their knowledge and belief, no transactions entered into during the year were fraudulent, illegal or violative of the code of conduct of the Company, they are responsible for establishment and maintenance of the internal financial controls for financial reporting and they have indicated to the Auditors and the Audit Committee about any significant changes in internal control over financial reporting, significant changes in the accounting policies and instances of significant frauds, if any, which they were aware. The said certificate is annexed and forms part of this Annual Report.

L. Code of conduct and ethics

The Board has formulated and adopted Code of Conduct and Ethics for the Board of Directors and Senior Management. The said code has been hosted on the website of the Company at https://www.orientrefractories.com.The confirmation from the Managing Director & CEO of the Company regarding compliance with the Code of Conduct and Ethics by all the Directors and Senior Management is annexed and forms part of this report.

M. Certificate under regulation 34(3) of SEBI Listing Regulations

The Company has obtained a certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, from M/s. Naresh Verma and Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other statutory authorities. The said certificate forms part of this report.

N. Distribution of shareholding as on 31 March 2020

Shareholding of nominal value: Re.1/-

Share holding nominal value (in Rs.)	Number of shareholders	%' age to total numbers	Shareholding amount (in Rs.)	%' age to total amount
Up to 5,000	14,762	96.07	7,340,851	6.11
5,001 to 10,000	298	1.94	2,219,775	1.85
10,001 to 20,000	171	1.11	2,474,285	2.06
20,001 to 30,000	51	0.33	1,235,792	1.03
30,001 to 40,000	18	0.12	626,407	0.52
40,001 to 50,000	7	0.05	324,967	0.27
50,001 to 1,00,000	26	0.17	1,725,019	1.44
100,000 and above	33	0.21	104,192,104	86.73
Total	**15,366**	**100.00**	**120,139,200**	**100.00**

O. Shareholding pattern as on 31 March 2020

Sr. no.	Category of the shareholders	No. of shareholders	Total holding	%'age to capital
1.	**Promoter and promoter group** Foreign-[Dutch US Holding B.V.]	1	79,877,771	66.49
2.	**Institutions**			
(a)	Mutual Fund	9	13,999,940	11.65
(b)	FII/Foreign Portfolio Investors	14	4,133,620	0.08
(c)	Alternate Investment Funds	2	90,458	3.44
(d)	Financial Institutions/Banks	5	72,372	0.06
(e)	Insurance Companies	1	845,600	0.70

Sr. no.	Category of the shareholders	No. of shareholders	Total holding	%'age to capital
3.	**Non-Institutions**			
(a)	Individual shareholders holding nominal share capital up to Rs. 2.00 lacs	14,448	14,956,273	12.45
(b)	Individual shareholders holding nominal share capital above Rs. 2.00 lacs	1	242,425	0.20
(c)	NBFC registered with RBI	1	30,000	0.02
(d)	Bodies Corporate	220	1,908,602	1.59
(e)	Non-Resident Indians	504	555,946	0.46
(f)	Resident Indian HUF	388	484,414	0.40
(g)	Clearing Members/House	34	48,064	0.04
(h)	Unclaimed or Suspense or Escrow Account	1	1,000	0.00
(i)	Investor Education Protection Fund	1	2,892,715	2.41
	Total	**15,630**	**120,139,200**	**100.00**

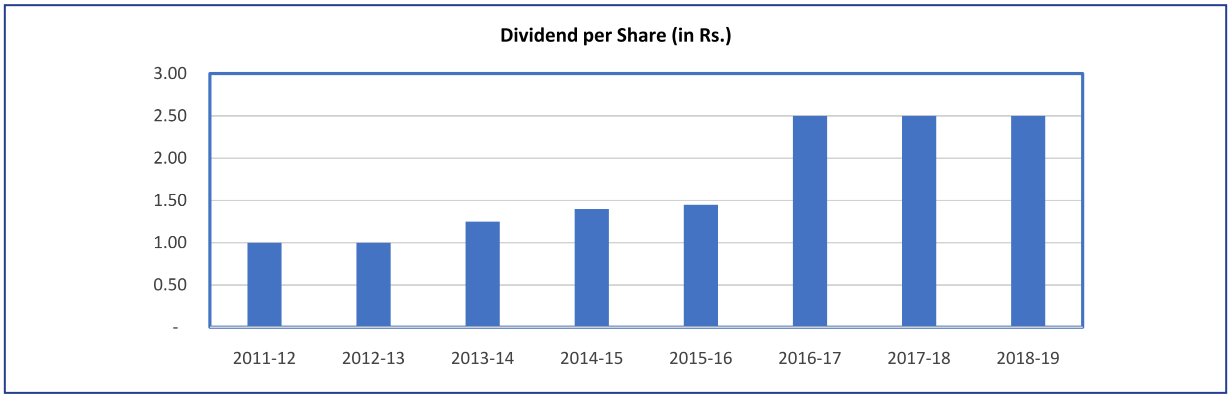
P. List of shareholders holding more than 1% shares in the Company as on 31 March 2020

Sr. no.	Particulars	No. of shares	%
	Promoter & promoter group		
1.	Dutch US Holding B.V.	79,877,771	66.49
	Others		
2.	L and T Mutual Fund Trustee Ltd-L and T Infrastructure Fund	5,965,819	4.97
3.	Pinebridge Global Funds - Pinebridge India Equity Fund	3,134,766	2.61
4.	HDFC Small Cap Fund	2,987,386	2.49
5.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Small Cap Fund	2,741,620	2.28
6.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Balanced Advantage Fund	2,059,946	1.71

Q. Corporate benefits to investors' dividend declared for the last 8 years

Financial year	Type of dividend	Dividend per Share (in Rs.)
2018-19	Final Dividend	2.50
2017-18		2.50
2016-17		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 29 June 2020, is subject to approval of shareholders at the ensuing AGM.



R. Equity shares in the suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 April, 2019	1,443	2,918,050
Shareholders who approached the Company for transfer of shares from suspense account during the year	5	58,940
Shareholders to whom shares were transferred from the suspense account during the year	4	57,940
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	1,439	2,892,715
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 March, 2020	1	1,000

The voting rights on the shares outstanding in the suspense account as on 31 March 2020 shall remain frozen till the rightful owner of such shares claims the shares.

S. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), dividend, if not claimed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund (“IEPF”).

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company’s website(www.orientrefractories.com).

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during the financial year 2019-20 are as follows:

Financial year	Amount of unclaimed dividend transferred (Amount in Rs. lacs)	Number of shares transferred
2011-12	35.31	32,605
Total	**35.31**	**32,605**

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend / shares so transferred.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's and Transfer Agent:

Financial Year	Date of declaration	Last date for claiming unpaid dividend
2012-13	26 September 2013	25 October 2020
2013-14	26 September 2014	25 October 2021
2014-15	24 September 2015	23 October 2022
2015-16	26 September 2016	25 October 2023
2016-17	25 September 2017	24 October 2024
2017-18	10 September 2018	9 October 2025
2018-19	23 July 2019	22 August 2026

T. 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 2020:

Electronic form with NSDL : 96.20%
Electronic form with CDSL : 2.72%
Physical form : 1.08%

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

U. Details of utilization of funds

During the year under review, there were no preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations.

V. Policies of the Company

As a part of good Corporate Governance, the Company has from time to time adopted various policies/codes which are hosted on the website of the Company at *https://www.orientrefractories.com*.

W. 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.

X. 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 to the financial statements.

Y. Addresses:

a. Registered office:

Orient Refractories Limited, C-604, Neelkanth Business Park, Opp. Railway Station, Vidhyavihar (West), Mumbai, MAHARASHTRA-400086

b. Corporate office:

Orient Refractories Limited, Unit No. DG-B-001, 3rd Floor, Digital Greens, Sector-61, Gurugram, Haryana

c. Plants location:

- SP-148 A+B, RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019
- Village- Bainchua, Damaka Village Road, Thana-Tangi, Cuttack, Odisha-754022

d. Registered office & plant location of Subsidiary Company:

Intermetal Engineers (I) Pvt. Ltd.
337, Gundecha Industrial Complex, Akurli Road,
Kandivali (East), Mumbai-400 101

e. Investor correspondence address:

- Orient Refractories Limited, Secretarial Department, C-604, Neelkanth Business Park, Opp. Railway Station, Vidhyavihar (West), Mumbai, MAHARASHTRA-400086
- Orient Refractories Limited, Secretarial Department, SP-148 A+B,RIICO Industrial Area, Bhiwadi, Dist.-Alwar, Rajasthan-301019 or
- 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**	**Dr. Vijay Sharma**
	Company Secretary	Managing Director & CEO	Chairman
Gurugram, 29 June 2020	(Membership No.: ACS 17021)	(DIN: 06500871)	(DIN:00880113)

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Orient Refractories Limited
CIN L28113MH2010PLC312871

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, 2020, 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 2020.

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
UDIN: F005403B000388742

Place: Delhi
Date: 29 June 2020

ANNEXURE VIII

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1,.	Corporate Identity Number (CIN) of the Company	:	L28113MH2010PLC312871
2.	Name of the Company	:	Orient Refractories Limited
3.	Registered address	:	C-604, Neelkanth Business Park, Opp. Railway Station, Vidhyavihar (West), Mumbai, Maharashtra – 400086
4.	Website	:	www.orientrefractories.com
5.	E-mail id	:	Bhi_ho@RhiMagnesita.com
6.	Financial Year reported	:	1 April 2019 to 31 March 2020

7. Sector(s) that the Company is engaged in (industrial activity code-wise)

Group	Class	Sub-class	Description	Sector
239	2399	23993	Manufacturing of refractory products	Refractory

8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	:	Refractory/Monolithics
9.	Total number of locations where business activity is undertaken by the Company		
	(a) Number of International Locations (Provide details of major 5)	:	Nil
	(b) Number of National Locations	:	The Company carries manufacturing operation at 2 (two) locations in India
10.	Markets served by the Company –	:	Local/State/National/International - All markets

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR in lacs)	:	INR 1,201.39
2.	Total Turnover (INR in lacs)	:	INR 69,609.40
3.	Total profit after taxes (INR in lacs)	:	INR 8,725.08
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	:	1.94%
5.	List of activities in which expenditure in 4 above has been incurred	:	For details, please refer the Corporate Social Responsibility Report (Annexure II of Directors' Report)

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? : Yes
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? : Yes
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] : The Company does business with reputed organizations who undertake BR initiatives as per their respective organizational policies.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

a. Details of the Director/Director responsible for implementation of the BR policy/policies

DIN Number	06500871
Name	Mr. Parmod Sagar
Designation	Managing Director & CEO

b. Details of the BR head

DIN Number (if applicable)	Not Applicable
Name	Mr. Purshottam Dass
Designation	Senior Vice President
Telephone number	+91 1493 2222 66
e-mail id	Purshottam.Dass@RHIMagnesita.com

2. Principle-wise (as per NVGs) BR Policy/policies

a. Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
ii.	Has the policy being formulated in consultation with the relevant stakeholders?	The policy(ies) has been framed keeping in mind the interests ofthe stakeholders at large.								
iii.	Does the policy conform to any national / international standards?	Various practices/processes emanating out of the policy(ies) conform to national/international standards.								
iv.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
v.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
vi.	Indicate the link for the policy to be viewed online?	*https://www.orientrefractories.com/policies.htm*								
vii.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policy(ies) has been disseminated on the Intranet as well as on the website of the Company.								
viii.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
ix.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The individual policies by and large prescribe a grievance redressal mechanism for the stakeholders concerned. Wherever, the individual policies do not explicitly state the grievance redressal mechanism, grievances can be addressed to Bhi_info@RhiMagnesita.com								
x.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The Internal Auditors of the Company review the implementation of policies from time to time. No dedicated Business Responsibility audit has been conducted.								

b. **If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
i.	The company has not understood the Principles	Not applicable								
ii.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
iii.	The company does not have financial or manpower resources available for the task									
iv.	It is planned to be done within next 6 months									
v.	It is planned to be done within the next 1 year									
vi.	Any other reason (please specify)									

3. **Governance related to BR**

a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The assessment is a continuous process and there is no defined frequency at which this assessment is done.

b. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company annual upload BRR to its web site. BRR for the FY 2018-19 & 2019-20 are available at *https://www.orientrefractories.com*

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Businesses should conduct and govern themselves with ethics, transparency and accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Commitment to ethical and lawful business conduct is a fundamental shared value of the Board of Directors, Senior Management and all other employees of the Company. ORL's value systems are aligned with the RHI Magnesita Group's Values and beliefs guided by the five ethics and four cultural themes - spirit of the RHI Magnesita Group: five ethics Respect, appreciation, honesty, integrity, reliability and responsibility and four cultural themes i.e. act customer focused & innovatively; be performance driven & accountable; operate cross functionally, collaboratively & pragmatically across the global organization; have open decision making in a respectful environment . The Company as well as subsidiary or associates are governed by this philosophy as well as the requirements of their local jurisdictions.

ORL's path – a corporate manual setting out the corporate culture lays down the guidelines required to be adhered to by every employee both in letter and spirit. This manual prepared with a view to give clarity on ethical issues, maintaining transparency in all dealings and practice ethics in a dynamic business environment is required to be adhered by all employees. The Company's Code of Conduct, Code of Conduct for Prevention of Insider Trading, Policy on Prevention of Sexual Harassment, Ethical Guidelines on Stakeholder Dealing, Whistle Blower Policy which are also enshrined in the path serve as a guiding norm in matters relating to ethics, anti-bribery and anti-corruption for all employees.

The Company has a policy to do business with suppliers/ contractors and others who are aligned with its value systems. Appropriate due diligence is exercised while selecting them.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

During the year, there was no referral made under the Whistle Blower policy of the Company.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company undertakes to assure safety and optimal resource use over the lifecycle of its products. The Company, being a material science & technology-oriented company continuously innovates and strives for optimal resource use over the life cycle of the products it manufactures.

   Co-pressed slide plate with zirconia insert: The new product has been introduced in market and has been a very successful import substitution. The refractory usage is half compared to other grade plates.

   Stoppers with new recipe: In critical steel grades, stoppers life has increased 2 times. This has reduced refectory consumption per tonne of steel production, therefore helps in conservation of natural resources.

   Development of high sequence Sub entry nozzle: This development by using alternate material has reduced consumption of refractory for every tonne of steel produced which has helped in conservation of natural resources.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   a. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

      We are Zero Discharge Company, therefore Unit consumption is not appropriate measure.

   b. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

      - Rainwater harvesting system to recharge ground level has been put in place.
      - Reduction in energy cost by replacing conventional lights with energy efficient LED lights.
      - Replacement of oil as fuel by CNG by converting more kilns and driers on CNG.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

   The Company's integrated operations ensure sustainable usage of the available resources. Joint project opportunities amongst various business units improve efficiencies in sourcing besides resulting in product efficiencies.

   Conscious efforts are made to ensure that everyone connected with the Company be it the designers, producers, value chain members, customers and recyclers are made aware of their responsibilities. The Company's efforts through Lean methodologies and Total productive maintenance initiative help in achieving operational efficiencies also resulting in energy conservation and sustainable operations. Usage of materials which are either recycled or capable of recycling assumes top priority.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company's global and complex operations does not complement the procurement of goods and services from local and small producers in its location of manufacturing operations. However, the Company interacts with the local & small producers at regular intervals on the business and quality requirements. Assured volumes instils confidence in them to supply quality products by adopting sustainable and safe practices. More local suppliers for metal parts have been developed last year. The Company from time to time provides training and guidance on optimum use of resources, thereby saving cost and time. This has resulted in the small producers manufacturing products which are benchmarks in quality, thereby gaining an edge over the market.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).**

Duly recognizing that over-consumption results in unsustainable exploitation of the planet's resources, the business units in the Company are committed to promoting sustainable consumption, including recycling of resources.

The Company has sustainable processes in place to recycle the products and waste, post completion of the manufacturing life cycle.

- The Company has an integrated value cycle mapping process. For example: Use of more than 16 % of recycled raw material which is collected from different steel plants.

Principle 3

Businesses should promote the well being of all employees

Any organization is as good as the people who work for it. The trusting and caring ecosystem allows the Company to nurture a workforce that works passionately in tandem with its core values.

The Company is committed to providing equal opportunities both at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability etc. The Company strives to keep the workplace environment safe, hygienic humane, upholding the dignity of the employees including conducting trainings and sending suitable communications on regular basis. The Company's strategic pillars for capability development, propelling performance, scaling up capability and the dedicated HR initiatives thereunder continue to facilitate constant upgradation of the skill and competency of the employees.

The dedicated learning and development programmes enhance the right skill sets and relevant knowledge to employees to achieve operational and futuristic benefits. The learning solutions are designed as per the training need analysis. Proactive steps and structured problem-solving mechanisms with focus on people issues and periodical communication on business related issues ensure cordial industrial relations.

Providing and maintaining a safe and hygiene working environment is a continuous process at ORL. Periodic awareness sessions, training on usage of protective equipments, identifying and eliminating unsafe conditions are given top priority. Our plant is BS-OHSAS 18001-2007 certified for occupational health and safety management systems. The Company continues its commitment to employ and empower women and its initiatives such as friendly workplace policies for women, policy for prevention of sexual harassment, redressal mechanism in the form of Internal Complaints Committee, women welfare Committees etc. augurs well.

1. **Total number of employees.** : 456
2. **Total number of employees hired on temporary/contractual/casual basis.** : 866
3. **Number of permanent women employees.** : 3
4. **Number of permanent employees with disabilities** : 0
5. **Do you have an employee association that is recognized by management?** : Yes. There is recognised trade union affiliated to trade union bodies.
6. **What percentage of your permanent employees is members of this recognized employee association?** : 100 % workmen (which is 20% of the permanent employees) are members of recognised employee association.
7. **Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
Child labour/forced labour/involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Category of employees	Safety	Skill Upgradation
Permanent Employees	90%	85%
Permanent Women Employees	100%	100%
Casual/Temporary/Contractual Employees	90%	90%
Employees with Disabilities	Nil	Nil

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders?**

   Yes. The Company has identified its internal and external stakeholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   The Company's Corporate Social Responsibility (CSR) policy drives the initiatives undertaken by the Company towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders. The systems and process in place to systematically identify stakeholders and for understanding their concerns and for engaging with them is reviewed from time to time. The feedback mechanism available for shareholders and customers to assess the services levels and other complaints follows the spirit laid down herein.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stake holders?**

   The Company on a periodical basis undertakes dedicated activities as a part of its CSR initiatives for the disadvantaged, vulnerable and marginalized stakeholders in and around the Company's factories/plants. Education, sports and health aids are provided to schools in rural/under-developed areas and to schools supporting differently abled children. The Company has been set up to build a skill bank of a technically competent and industry ready work force by providing specialized training based on National Council Vocational Training syllabus for the rural youth drawn from socially and economically backward sections of the society.

Principle 5

Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company's policy on human rights is imbibed in its values represented in the Five Ethics and Four Cultural values of the Company. The alignment with this value system is expected out of any person dealing with the Company.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   Nil under this principle.

Principle 6

Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

   Safeguarding and protecting the environment is a shared value of the Company and its subsidiaries, joint ventures and associates. However, these companies have their own Safety, Health and Environment policies depending on the nature of their business and the local regulatory requirements. The Company's suppliers and contractors would be governed by their respective policies. The Company exercises due diligence in the selection of suppliers/contractors/others who are aligned with its value system.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.?

Being in the manufacturing business, the Company has mechanisms in place to ensure compliance with the applicable environmental laws. The Company is committed to be an environment friendly organization and has a dedicated Environmental Policy. The Company is an active player in practicing initiatives to address environmental issues and ensuring sustainable development. The Company has received the ISO 14001 certificate for their Environment Management Systems, OHSAS 18001 certificate for safety and occupational health Management System and ISO 9001 for Quality Management Systems. Plant is maintaining zero water discharge. Further, the Risk Management framework covering the Environmental risks is reviewed on a periodical basis and the steps that are required to be taken for mitigating the related risks are analyzed and implemented.

The Company also recognizes the significance of a greener belt by which several saplings are planted on a yearly basis to reduce the carbon footprint.

The Environment, Health and Safety (EHS) Policy of the Company is available at *https://www.orientrefractories.com/policies.htm*

3. Does the company identify and assess potential environmental risks?

Yes. Identification of potential environmental risks and the mitigation plan thereon is a continuous process. A report of the same is also placed before the Risk Management Committee of the Board of Directors on a periodical basis.

Further, the Company also ensures that the effluent/ emissions are within the permissible limits as prescribed by the statutory authorities.

4. Does the company have any project related to Clean Development Mechanism?

No, the Company has not undertaken any specific project related to the Clean Development Mechanism as per the Kyoto Protocol. However, Plant of the Company is certified ISO 14001 (Environment Management System), QMS - ISO 9001 (Quality Management System), OSHAS - 18001.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.

The Company utilizes its resources in an optimal and responsible manner ensuring sustainability through reduction, re-use, re-cycling and managing waste. Appropriate measures to check and prevent pollution are undertaken and wherever required assessment of environmental consequences, if any, is taken up with due regard to public interest. Equitable sharing of access and commercialization of biological and other natural resources and associated traditional knowledge is encouraged. The Company seeks to improve its environmental performance by adopting cleaner production methods, promotion of energy efficient and environmentally friendly technologies. Suitable processes and systems are developed with contingency plans and processes that help in preventing, mitigating and controlling environmental damages caused due to the Company's operations.

For more details on the energy conservation initiatives - please refer Annexure IV of the Directors' report for the FY 2019- 20.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the Company being in manufacturing business, at all times ensures compliance with the applicable environmental laws. The Environment Policy of the Company and the ISO-14001 certification of its facilities reiterates its commitment to be an environment friendly organization setting standards in environment management.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year. : Nil

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: Yes**

   - Indian Refractory Manufacturers Association
   - World Refractory Association through ultimate holding company RHI Mangesita N.V.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good?**

   The Company is not actively involved in lobbying. However, as a responsible corporate citizen, the Company as a part of industry association makes recommendations/ representations before regulators and associations for advancement and improvement of industrial climate in India.

Principle 8

Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8?**

   No, the Company does not have any specified programmes/initiatives/projects in pursuit of the policy related to Principle 8.

   The Company believes that social responsibility is not just a corporate obligation that has to be carried out, but it is one's dharma.

   Therefore, our philanthropic endeavors are a reflection of our spiritual conscience and this provides us a way to discharge our responsibilities to the various sections of the society.

   The CSR Committee, constituted for implementation of the well-defined CSR policy laid out by the Company, reviews the spend to be made and the projects for which such funds need to be allocated. The CSR policy highlights the responsibility statement of the Company towards CSR, the principles guiding the initiative, the manner of implementation and the reporting thereof. Skill Development, education and health care are the priority focus areas for the CSR initiatives of the Company.

   In health care domain the Company has organized health check-up camps to offer curative services and conducted awareness programmes on health issue. The Company has incurred running expenses of Ambulance to provide health support to the society. Water and sanitation facilities were also provided under CSR activities at various places. The Company has contributed to Clean Ganga Fund for cleanliness of water and manage drinking water. To conserve water and manage & dispose water, the Company has contributed to Chief Minister Fund of Rajasthan under Mukhya Mantri Jal Swalamban Abhiyan. To promote the education facility, the Company has renovated school building and toilets in surrounding areas, further provided necessary infrastructure & reading materials to girl hostel to promote girl child education.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   The Corporate Social Responsibility initiatives of the Company are implemented through an in-house team as well as through by direct contribution to various external NGOs e.g. Avtar Development Foundation, Grani Agro Rural Advancement and National Innovation, Rotary foundation, Rotary Club of Bhiwadi-Shakti Center for human care, The Earth Saviours Foundation etc.

3. **Have you done any impact assessment of your initiative?** No

4. **What is your company's direct contribution to community development projects?**

   Please refer the CSR report in Annexure II of the Board's report for the FY 2019-20 for complete details on the spend made by the Company during the FY 2019-20.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community?**

   The Company's dedicated CSR team focuses education of under privileged girl students. Schools have been adopted, where support is provided by providing various items of necessity. Also, time to time cleanliness drive and health checkup programmes for nearby communities have been undertaken by the Company.

   The intent of participating schools and nearby communities during health checkup programmes indicates impact of initiatives. The indirect programmes for assisting communities in and around plant locations has also positively impacted & influenced those in the nearby communities.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year?**

   The total number of customer complaints across all businesses which were pending at the end of the year where work was in progress constitutes less than 5% which have been subsequently resolved.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws?**

   Yes. Wherever relevant, the Company encourages that its packaging/labeling contain detailed information regarding safe handling, storage and use, which is over and above what is mandated as per local laws.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year.**
   None

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes. The Company on a periodical basis conducts various consumer survey/satisfaction trends. The Company put its customers at the fulcrum of its business strategy. The Company understands their requirements and provides them holistic solutions rather than merely supplying materials. The Company collaborates meaningfully with its customers for co-creating sustainable products and solutions. Dedicated customer/dealer meetings, customer plant visits, transparent and compliant product labeling ensures awareness creation for the product usage and safe disposal. Customer visits are not necessarily confined to their product needs but also extends to sharing of best practices like TQM, TPM etc. It is also worthy to note that a significant portion of the Company's business pertains to offering customized products. Hence, customer's requirements rank very high to the Company.

   The Business Responsibility Policy of the Company governing its business sustainability efforts is available on the Company's website *https://www.orientrefractories.com/policies.htm*

On behalf of the Board of Directors

	Parmod Sagar	**Dr. Vijay Sharma**
	Managing Director & CEO	Chairman
Gurugram, 29 June 2020	(DIN: 06500871)	(DIN: 00880113)

COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS

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 2020.

On behalf of the Board of Directors

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Gurugram, 29 June 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Orient Refractories Limited
C-604, Neelkanth Business Park,
Opposite Railway Station, Vidhyavihar (West),
Mumbai, Maharashtra - 400 086

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ORIENT REFRACTORIES LIMITED** having CIN L28113MH2010PLC312871and having registered office at C-604, Neelkanth Business Park, Opposite Railway Station, Vidhyavihar (West), Mumbai, Maharashtra - 400 086 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:-

Sr. no.	Name of Director	DIN	Date of appointment in Company
1.	Rama Shanker Bajoria	00033727	18-10-2011
2.	Sonu Chadha	00129923	13-08-2019
3.	Vijay Sharma	00880113	12-11-2014
4.	Parmod Sagar	06500871	04-03-2018
5.	Erwin Jankovits	07089589	11-02-2015
6.	Luiz Rossato Gustavo #	08695654	11-02-2020

 # Resigned w.e.f. 01-06-2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Naresh Verma & Associates**
Company Secretaries

Naresh Verma
CP:4424, FCS: 5403
UDIN: F005403B000388753

Place: Delhi
Date: 29 June 2020

CEO / CFO Certification

We, Parmod Sagar, Managing Director & CEO and Sanjeev Bhardwaj, Chief Financial Officer, of Orient Refractories Limited (the 'Company') hereby certify that:

a) We have reviewed financial statements and the Cash Flow Statement for the year ended 31 March 2020 of the Company and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.

d) We have indicated, to the Auditors and the Audit Committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Yours' faithfully
For **Orient Refractories Limited**

Sanjeev Bhardwaj
Chief Financial Officer

Parmod Sagar
Managing Director & CEO
(DIN: 06500871)

Gurugram, 29 June 2020

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ORIENT REFRACTORIES LIMITED

Report on the Audit of the Standalone financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Orient Refractories Limited ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

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

Emphasis of matter

4. We draw your attention to Note 37 to the standalone financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the standalone financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

i. Determination of cost of Work-in-Progress and Finished Goods for valuation of inventory

Refer to Note 8 (Inventories) and Note 2.14 (Significant accounting policies on Inventories) to the standalone financial statements.

The carrying amount of inventory of work in progress is Rs. 1,310.70 lacs and of finished goods is Rs. 3,836.12 lacs as at March 31, 2020.

The Company carries its inventory for work-in-progress and finished goods at the lower of cost and net realizable value. The cost is determined using weighted average cost formula.

The Company's process for arriving at the cost of inventory of work in progress and finished goods involves manual determination of the composition of raw material included in the inventory based on physical count of the inventory and its reconciliation with the raw material issued for the related batch under production/ produced, and allocation of an appropriate proportion of production overheads.

We considered this as a key audit matter because of the significance of the inventory balance to the standalone financial statements and the Company's processes involving manual calculations around determination of composition which carry an inherent risk of errors and accordingly may impact the carrying values of inventory.

How our audit addressed the key audit matter

We carried out the following procedures:

- Obtained understanding on the process and controls over the inventory costing and inventory cycle and evaluated and tested such controls.
- Verified the composition of raw material included in the inventory of work-in-progress and finished goods from the approved Bills of Material (BOM).
- Consequent to the lockdown restrictions at year end, we observed the physical verification of inventory of work in progress and finished goods conducted by the management in the Bhiwadi factory, on a test check basis, and verified the roll back procedures performed by the management to obtain the sufficient appropriate audit evidence about the existence of inventory at the balance sheet date.
- For the inventory of finished goods at Total Refractory Management (TRM) sites, we observed the physical verification conducted by management, on a test check basis, prior to year-end and verified the roll forward procedures performed by the management to obtain the sufficient appropriate audit evidence about the existence of inventory at the balance sheet date.
- Verified the stores records and other underlying documentation for verification of issuance of raw material to the batches of production.
- Verified that the overheads allocated comprise of the costs that are incurred in relation to the production process.
- Verified the arithmetical accuracy of calculation of cost of inventory including allocation of production overheads.

Based on the above audit procedures, we considered the management's determination of cost of work-in-progress and finished goods for valuation of inventory to be reasonable.

ii. Allowance for doubtful trade receivables

Refer to Note 5(b) Trade Receivables and Note 2.7(D) (Significant accounting policies on Impairment of financial assets) to the standalone financial statements.

Trade Receivables as at March 31, 2020 amount to Rs. 14,624.58 lacs (net of allowance for doubtful debts of Rs. 220.38 lacs).

The Company determines the allowance for doubtful debts based on historical loss experience adjusted to reflect current and estimated future economic conditions, relating to industries the Company deals with and has receivables from.

In calculating the allowance for doubtful trade receivables, the Company has also considered subsequent collections and other information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the Covid-19.

We identified allowance for doubtful debts as a key audit matter because of the significance of Trade Receivables balance to the standalone financial statements and considering that the Management exercises significant judgment in estimating the allowance for doubtful debts.

How our audit addressed the key audit matter

Our audit procedures related to the allowance for doubtful debts for trade receivables included the following:

- Obtained understanding of the process and controls over the determination of adequacy of allowance for doubtful debts.

- Tested the design, implementation and operating effectiveness of relevant internal controls relating to collection of trade receivables and the calculation of the allowance for trade receivables.
- Evaluated reasonableness of the method and assumptions and judgements used by the Management with respect to recoverability of trade receivables.
- Assessed the profile of trade receivables and the economic environment applicable to these debtors.
- For a sample of customers:
  - We obtained and tested the details of collections subsequent to the year-end from the debtors outstanding as at March 31, 2020.
  - We tested other information used in estimating the probability of default by comparing them to external and internal sources of information.
  - We tested the mathematical accuracy and computation of the allowances by the Company.
- Evaluated the appropriateness of the presentation and disclosures made in the financial statements.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. 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 Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 27 to the standalone financial statements;

ii. The Company has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Company did not have any long-term derivative contracts as at March 31, 2020.

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

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2020.

16. 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.

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

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 20077779AAAAAV2155

Place: Gurugram
Date: June 29, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Orient Refractories Limited on the standalone financial statements for the year ended March 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Orient Refractories Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone 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 with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, 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

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 20077779AAAAAV2155

Place: Gurugram
Date: June 29, 2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Orient Refractories Limited on the standalone financial statements as of and for the year ended March 31, 2020 .

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 properties, as disclosed in Note 3 on fixed assets to the standalone financial statements, are held in the name of the Company.

ii. The physical verification of inventory including stocks with third parties have been conducted at reasonable intervals by the Management during the year. Further, physical verification of inventory has been carried out by the management subsequent to year end due to lockdown restrictions imposed by the Government of India consequent to the outbreak of coronavirus (Covid-19) for which roll back procedures have been performed to determine the existence as at year end. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

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.

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 regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

For the month of March 2020, the Company has paid goods and services tax and filed GSTR1 and GSTR 3B after the due date but within the timelines allowed by Ministry of Finance under the Notification No. 35/2020-GST dated April 03, 2020 on fulfilment of conditions specified therein.

Also, in view of the extension of time granted vide No.C-1/Misc./2019-20/Vol.II/Part./9 dated April 15, 2020 for the payment of Provident fund within May 15, 2020 the Company has deposited the dues within the extended due date as notified by the relevant regulatory 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, sales-tax, goods and services tax, value added tax which have not been deposited on account of any dispute. The particulars of dues of service tax, duty of customs and duty of excise as at March 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount	Amount paid under protest	Period to which the amount relates	Forum where the dispute is pending
		(Rs. in lacs)			
Finance Act, 1994	Service Tax	123.61	3.09	January 2013 to February 2015	Customs Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Customs Duty	0.86	-	April 2016 to June 2017	Commissioner of Customs (Appeals)
Central Excise Act, 1944	Excise Duty	31.42	1.11	April 2016 to March 2017	Commissioner (Appeals)
Central Excise Act, 1944	Excise Duty	46.65	1.65	April 2016 to March 2017	Commissioner (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 standalone financialstatements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. 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

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 20077779AAAAAV2155

Place: Gurugram
Date: June 29, 2020

STANDALONE BALANCE SHEET

(Amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	As at 31 March, 2020	As at 31 March, 2019
Assets			
Non-current assets			
Property, plant and equipment	3(a)	12,867.13	5,985.45
Capital work-in-progress	3(a)	369.70	272.28
Intangible assets	4	9.72	14.86
Financial assets			
i) Investments	5 (a)	1,012.82	0.30
ii) Loans	5 (c)	256.70	171.16
(iii) Other financial assets	5(f)	46.32	59.22
Deferred tax assets (net)	6	31.41	-
Other non-current assets	7	149.72	454.81
Total non-current assets		**14,743.52**	**6,958.08**
Current assets:			
Inventories	8	13,059.15	11,744.08
Financial assets			
(i) Trade receivables	5 (b)	14,624.58	15,743.05
(ii) Investments	5 (a)	-	10,316.19
(iii) Cash and cash equivalents	5 (d)	10,969.67	2,175.28
(iv) Bank balances other than above	5 (e)	378.01	612.21
(v) Other financial assets	5 (f)	91.22	47.23
Contract assets	5 (g)	1,628.94	1,134.22
Other current assets	7	2,368.31	2,076.89
Total current assets		**43,119.88**	**43,849.15**
Total Assets		**57,863.40**	**50,807.23**
Equity and liabilities			
Equity			
Equity share capital	9 (a)	1,201.39	1,201.39
Other equity	9 (b)	41,466.41	36,422.14
Equity attributable to the owners of Orient Refractories Limited		**42,667.80**	**37,623.53**
Liabilities			
Non-current liabilities			
Other non-current liabilities	11	73.41	70.06
Deferred tax liabilities (net)	6	-	100.89
Total non-current liabilities		**73.41**	**170.95**

(Amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	As at 31 March, 2020	As at 31 March, 2019
Current liabilities			
Financial liabilities			
(i) Trade payables	12(a)		
- Total outstanding dues of micro and small enterprises		403.76	455.08
- Total outstanding dues of creditors other than micro enterprises and small enterprises		12,127.47	10,694.03
(ii) Other financial liabilities	12(b)	1,548.21	1,095.90
Contract liabilities	14(b)	169.07	59.46
Provisions	13	-	34.07
Employee benefit obligations	10	630.07	416.32
Other current liabilities	14(a)	243.61	257.89
Total current liabilities		**15,122.19**	**13,012.75**
Total Liabilities		**15,195.60**	**13,183.70**
Total Equity and Liabilities		**57,863.40**	**50,807.23**

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

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

STANDALONE STATEMENT OF PROFIT AND LOSS

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2020	Year ended 31 March, 2019
Revenue from operations	15	69,609.40	74,794.70
Other income	16	642.57	1,817.29
Total Revenue		**70,251.97**	**76,611.99**
Expenses			
Cost of raw materials and components consumed	17(a)	28,624.67	31,520.20
Purchase of stock-in-trade (traded goods)	17(b)	13,279.36	15,005.71
Change in inventories of finished goods, work in-progress and stock-in-trade	18	(786.67)	(2,064.06)
Employee benefits expense	19	5,757.57	5,443.06
Depreciation and amortisation expense	3 & 4	1,095.77	863.12
Other expenses	20	10,611.52	12,091.72
Total expenses		**58,582.22**	**62,859.75**
Profit before tax		**11,669.75**	**13,752.24**
Tax expense:			
- Current tax	22	3,043.13	4,490.89
- Deferred tax (charge/credit)	22	(112.13)	258.55
- Short / (Excess) provision for tax relating to prior years	22	13.67	20.14
Total tax expense		**2,944.67**	**4,769.58**
Profit for the year		**8,725.08**	**8,982.66**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans		(80.13)	(29.99)
- Income tax relating to the above		20.17	10.48
Other comprehensive income for the year, net of tax		**(59.96)**	**(19.51)**
Total comprehensive income for the year		**8,665.12**	**8,963.15**
Basic earning per share (Face value of Re 1 each share)	29	7.26	7.48
Diluted earning per share (Face value of Re 1 each share)	29	7.26	7.48

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

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

For and on behalf of the Board of Directors of
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Chief Financial Officer

Manoj Gupta
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amount in Rs. Lacs, unless otherwise stated)

Equity Share Capital

Particulars	Notes	Amount
As at 1 April, 2018	9 (a)	1,201.39
Change in Equity Share Capital		-
As at 31 March, 2019		1,201.39
Change in Equity Share Capital	9 (a)	-
As at 31 March, 2020		**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 2019	9(b)	8,337.56	28,084.58	**36,422.14**
Profit for the year			8,725.08	**8,725.08**
Other comprehensive income			(59.96)	**(59.96)**
Total comprehensive income for the year		**8,337.56**	**36,749.70**	**45,087.26**
Dividend paid		-	(3,003.48)	(3,003.48)
Dividend distribution tax		-	(617.37)	(617.37)
Balance as on 31 March, 2020		**8,337.56**	**33,128.85**	**41,466.41**
Balance as at 1 April 2018	9(b)	8,337.56	22,742.28	**31,079.84**
Profit for the year			8,982.66	**8,982.66**
Other comprehensive income			(19.51)	**(19.51)**
Total comprehensive income for the year		**8,337.56**	**31,705.43**	**40,042.99**
Dividend paid		-	(3,003.48)	(3,003.48)
Dividend distribution tax		-	(617.37)	(617.37)
Balance as on 31 March, 2020		**8,337.56**	**28,084.58**	**36,422.14**

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

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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

Dr. Vijay Sharma
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Chief Financial Officer

Manoj Gupta
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

STANDALONE CASH FLOW STATEMENT

(Amount in Rs. Lacs)

	Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
A.	**Cash flow from operating activities**		
	Profit before tax	**11,669.75**	**13,752.24**
	Adjustments for:		
	Depreciation and amortisation expense	1,095.77	863.12
	Amortization of Prepaid expense	-	5.89
	Interest income	(435.14)	(304.80)
	Bad debts written off	102.31	-
	Allowance for doubtful debts - trade receivables	76.34	-
	Allowances for doubtful trade receivable no longer required written back	-	(635.10)
	Allowances for doubtful export incentive receivable no longer required written back	(1.94)	(6.41)
	Liabilities/ provisions no longer required written back	(23.73)	(53.12)
	Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss		(176.19)
	Net gain on disposal of financial assets (open ended mutual fund scheme)	(125.30)	(439.15)
	Loss on fixed assets sold/ scrapped	0.08	1.88
	Net unrealised foreign exchange gain/(loss)	(34.87)	3.21
	Items that will not be reclassified to Profit or loss	(80.13)	(29.99)
	Operating profit before working capital changes	**12,243.14**	**12,981.58**
	Changes in operating assets and liabilities		
	(Increase) in inventories	(1,315.07)	(2,638.09)
	Decrease in trade receivables	1,065.96	774.83
	(Increase)/ Decrease in other current financial assets	(3.60)	3.00
	Decrease/ (Increase) in other current assets	58.49	(924.16)
	(Increase) in loans	(85.54)	(79.03)
	(Increase) in contract assets	(494.72)	(763.75)
	Decrease/ (Increase) in other non-current financial assets	12.90	(29.65)
	(Increase)/ Decrease in other non-current assets	(2.34)	0.86
	Increase in trade payables	1,316.50	1,300.10
	Increase in other financial liabilities	31.79	124.06
	Increase in employee benefit obligations	213.75	28.45
	Increase in non current liabilities	3.37	7.20
	Increase/(Decrease) contract liabilities	109.61	(711.36)
	(Decrease)/ Increase other current liabilities	(14.28)	110.60
	Cash generated from operations	**13,139.96**	**10,184.64**
	Net income tax paid	(3,446.68)	(4,750.33)
	Net cash flow from operating activities (A)	**9,693.28**	**5,434.31**
B.	**Cash flows from investing activities**		
	Investment in mutual funds	(19,120.00)	(45,195.00)
	Proceeds from redemption of mutual funds	29,561.49	46,261.37
	Investment in Subsidiary	(1,012.52)	-
	Decrease/ (Increase) in other bank balances	234.20	(81.37)
	Capital expenditure on fixed assets, including capital advances	(7,357.92)	(1,795.32)
	Proceeds from sale of fixed assets	45.49	26.13
	Interest received	394.75	311.66
	Net cash flow from / (used in) investing activities (B)	**2,745.49**	**(472.53)**

	Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
			(Amount in Rs. Lacs)
C.	**Cash flows from financing activities**		
	Dividend paid on equity shares	(3,027.01)	(2,909.85)
	Tax on dividend	(617.37)	(617.37)
	Net cash flow from used in financing activities (C)	**(3,644.38)**	**(3,527.22)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**8,794.39**	**1,434.56**
	Cash and cash equivalents at the beginning of the year	2,175.28	740.72
	Cash and cash equivalents at the end of the year	**10,969.67**	**2,175.28**
	Cash and cash equivalent included in the cash flow statement comprise of the following:		
	Balances with Bank		
	- in current accounts	166.97	522.29
	- deposits with original maturity of less than three months	10,800.00	1,650.00
	Cash on hand	2.70	2.99
		10,969.67	**2,175.28**

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

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

NOTES TO STANDALONE 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 C-604, Neelkanth Business Park, Opposite Railway Station, Vidhyavihar (West), Mumbai, Maharshtra-400086, India. The Company is primarily engaged in the business of manufacturing and trading of refractories, monolithics, bricks and ceramic paper and has a manufacturing facility in Bhiwadi (Rajasthan) and Cuttack (Orrisa).

The standalone financial statements were approved by the Board of Directors and authorised for issue on June 29, 2020.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone 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 standalone 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.

(ii) Historical cost convention

The standalone 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;

(iii) New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

- Ind AS 116, Leases
- Uncertainty over Income tax treatments – Appendix C to Ind AS 12, Income Taxes
- Plan Amendment, Curtailment or Settlement - Amendments to Ind AS 19, Employee Benefits
- Amendment to Ind AS 12, Income Taxes
- Amendment to Ind AS 23, Borrowing costs
- Amendments to Ind AS 109

The Company has changed its accounting policies as a result of adopting Ind AS 116. Refer note 2.6 for the details of change in accounting policy. The impact of adoption of Ind AS 116 has been disclosed in note 3(b) The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.2 Critical accounting estimates, assumptions and judgements

The preparation of Standalone Financial Statements 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 Standalone 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 standalone 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) Intangible

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 / liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone 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 doubtful trade receivables

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.

(f) Revenue from contracts with customers

For Refractory Management Contracts where the transaction price depends on the customer's production, customer expects total refractory management services from the Company, which includes supply of refractory material and its related services to produce steel. The customer expects complete refractory management for the product of steel in the steel plant. Thus, only one single performance obligation, performance of refractory management service, exists..

2.3 Current Versus non-current Classification

IAll 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.

2.4 Property Plant and Equipment

Freehold land is carried at historical cost. All other 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 had elected to continue with the carrying value of its property, plant and equipment recognised as at April 1, 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.

2.5 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

2.6 Leases

Till 31 March 2019:

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.

With effective from 1 April 2019:

As a lessee

From April 1, 2019, leases are recognised as a Right-of-Use (RoU) asset at cost with a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116 ‘Leases’.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.7 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 measured at fair value. Transactions cost that are directly attributable to the acquisition of financial asset (other than financial asset at fair value through profit and loss) are added from the fair value of financial asset.

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 (FVPL):

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 and Loss.

b. Financial assets measured at amortised cost

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 and 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.

2.8 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 derecognized.

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.

2.9 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.

2.10 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 standalone 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.

2.11 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.

2.12 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.

2.13 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 standalone 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.

2.14 Inventories

Inventories are valued at the lower of cost (on first in first out basis in respect of trading goods and on weighted average basis in respect of raw materials, work-in-progress and finished goods) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods, including freight, octroi and other levies. Work-in-progress and finished goods include appropriate proportion of labour and overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Stores and spares inventory is valued at cost.

2.15 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.

2.16 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 Standalone Financial Statements.

2.17 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.

2.18 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 & CEO 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.

2.19 Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers either over time or at a point of time at an amount that reflects the consideration the Company expects to be entitled to in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset.

Revenue is measured based on the transaction price, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. If the consideration in a contract includes a variable amount, at the inception of the contract, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer.

At the inception of the contract, the Company identifies the goods or services promised in the contract and assesses which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual Incoterms agreed in the customer contract.

Revenue from contracts for total refractory management services, revenue is recognized over time on the basis using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from providing services is recognized in the accounting period in which the services as rendered.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due.

2.20 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.

2.21 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 at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.22 Foreign currency translation

(i) Functional and presentation currency

Items included in the standalone 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 standalone 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.

2.23 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.

2.24 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

2.25 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.26 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Note 3(a):

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

Particulars	Right-of-use Assets (Leasehold Land)	Freehold Land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
Balance as at 1 April, 2018	-	-	830.15	3,835.00	30.27	126.89	422.65	**5,244.96**	1,400.91
Additions	-	-	473.24	2,160.68	7.97	59.37	172.63	**2,873.89**	1,745.97
Disposals	-	-	-	(0.35)	-	(3.08)	(28.63)	**(32.06)**	(2,874.60)
Balance as at 31 March, 2019	**-**	**-**	**1,303.39**	**5,995.33**	**38.24**	**183.18**	**566.65**	**8,086.79**	**272.28**
Reclassification as per Ind AS 116 (Refer Note 3(b))	347.42	-	-	-	-	-	-	**347.42**	-
Additions	-	3,102.35	1,586.03	2,851.26	27.02	28.47	56.86	**7,651.99**	7,767.88
Disposals		-	-	(6.69)	-	(0.75)	(46.66)	**(54.10)**	(7,670.46)
Balance as at 31 March, 2020	**347.42**	**3,102.35**	**2,889.42**	**8,839.90**	**65.26**	**210.90**	**576.85**	**16,032.10**	**369.70**
Accumulated depreciation									
Balance as at 1 April, 2018	-	-	92.18	995.50	6.56	43.68	115.36	**1,253.28**	-
Charge for the year	-	-	64.70	684.02	4.15	30.72	68.52	**852.11**	-
Depreciation on assets disposed off during the year	-	-	-	-	-	(0.07)	(3.98)	**(4.05)**	-
Accumulated depreciation as at 31 March, 2019	**-**	**-**	**156.88**	**1,679.52**	**10.71**	**74.33**	**179.90**	**2,101.34**	-
Charge for the year	5.92	-	93.15	851.90	6.17	37.16	77.86	**1,072.16**	-
Depreciation on assets disposed off during the year	-	-	-	(0.26)	-	(0.19)	(8.08)	**(8.53)**	-
Accumulated depreciation as at 31 March, 2020	**5.92**	**-**	**250.03**	**2,531.16**	**16.88**	**111.30**	**249.68**	**3,164.97**	**-**
Carrying amount									
Balance as at 31 March, 2019	**-**	**-**	**1,146.51**	**4,315.81**	**27.53**	**108.85**	**386.75**	**5,985.45**	**272.28**
Balance as at 31 March, 2020	**341.50**	**3,102.35**	**2,639.39**	**6,308.74**	**48.38**	**99.60**	**327.17**	**12,867.13**	**369.70**

(All amount in Rs. Lacs, unless otherwise stated)

Note 3(b):
Leases

Disclosure on adoption of Ind AS 116 'Leases': The Company has adopted Ind AS 116 with effect from 1 April, 2019 by following Modified Retrospective method. The Company has taken on lease offices, guest house and warehouses. Rental Contracts are typically made for fixed periods of less than 11 months. The Company has also entered into a contract with Rajasthan government for lease of factory premises at Bhiwadi for 99 years. The Company has paid lease rent of 99 years in advance, which was disclosed as Prepaid Lease Payment, under other Assets as at 31 March, 2019 and during the year it has been reclassified to Right-of-Use Assets in accordance with Ind AS 116. There is no case where the Company is acting as a lessor.

(i) Amount Recognised in Balance Sheet

	Note	As at 31 March, 2020	As at 31 March, 2019
Right-of-use assets	3(a)	**347.42**	-
		347.42	-

(ii) Amounts recognised in the Statement of Profit and Loss

	Note	As at 31 March, 2020	As at 31 March, 2019
Depreciation charge of right-of-use assets	3(a)	**5.92**	-
		5.92	-
Expense relating to short-term leases (included in other expenses)	20	**51.28**	-

(iii) In applying IndAS 116 for the first time, the Company has used the following practical expedient:

Accounting for operating leases with a remaining lease term of less than 12 months as at 1 April, 2019 as short-term leases

(iv) Extension and Termination option:

Extension and Termination options are included in all the contracts of short term lease and both are exercisable at mutual consent of Lessor & Lessee.

Note 4:
Other intangible assets

Particulars	Software
Balance as at 1 April, 2018	**53.45**
Additions	0.19
Balance as at 31 March, 2019	**53.64**
Additions	18.47
Balance as at 31 March, 2020	**72.11**
Accumulated amortisation	
Opening 1 April, 2018	**27.77**
Charge for the year	11.01
Balance as at 31 March, 2019	**38.78**
Charge for the year	23.61
Accumulated amortisation as at 31 March, 2020	**62.39**
Net Carrying amount	
Balance as at 31 March, 2019	**14.86**
Balance as at 31 March, 2020	**9.72**

Note 5 :
Financial assets

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		As at 31 March, 2020	As at 31 March, 2019
5 (a)	**Investments**		
	Non-current investments		
	(i) Investments in Equity Instruments		
	- Subsidiary (At cost)		
	Unquoted		
	1,597 (March 31, 2019: NIL) Equity shares of Rs 100 each fully paid up of Intermetal Engineers (India) Private Limited (Refer Note 34)	1,012.52	-
	(ii) Investments in government securities (unquoted)		
	National Savings Certificates*	0.30	0.30
	*The National Saving Certificates have been given to the sales tax department, Rajasthan as security		
	Total	**1,012.82**	**0.30**
	Current investments		
	Investment in mutual funds (unquoted)		
	Nil Units - : (31 March 2019: 185,336 units) in Reliance Ultra Short Duration Fund -Direct Growth Plan formerly known as Reliance Liquid Fund - Cash Plan-Direct Growth Plan	-	5,664.23
	NIL Units - :(31 March 2019: 4,640,759 units) in Aditya Birla Sun Life Liquid Fund -Daily Dividend Reinvestment -Direct-Plan formerly known as Aditya Birla Sun Life Cash plan-plan	-	4,651.96
	Total	-	10,316.19
5 (b)	**Trade Receivables**		
	Trade receivables	12,960.05	13,328.88
	Receivables from related parties (refer note 30)	1,884.91	2,558.21
	Less: Allowance for doubtful debts (refer note 24)	(220.38)	(144.04)
	Total	**14,624.58**	**15,743.05**
	Break-up of security details		
	Secured- considered good	-	-
	Unsecured:		
	Considered good	14,624.58	15,743.05
	Considered doubtful	220.38	144.04
	Significant increase in credit risk	-	-
	Credit impaired	-	-
	Total Gross receivables	**14,844.96**	**15,887.09**
	Less: Allowance for doubtful debts (refer note 24)	(220.38)	(144.04)
	Total	**14,624.58**	**15,743.05**
5 (c)	**Loans**		
	(Unsecured, considered good)		
	Security Deposits	256.70	171.16
	Total	**256.70**	**171.16**
5 (d)	**Cash and cash equivalents**		
	Balances with banks		
	- in current accounts	166.97	522.29
	- deposits with original maturity of less than three months	10,800.00	1,650.00
	Cash on hand	2.70	2.99
	Total	**10,969.67**	**2,175.28**
	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	378.01	401.54
	Deposit account with Banks with maturity more the 3 months but less than 12 months	-	210.67
	Total	**378.01**	**612.21**
5 (f)	**Other Financial Assets**		
	Non-current		
	Deposit account with Bank (With original maturity of more than 12 months)	22.61	38.96
	Others	23.71	20.26
	Total	**46.32**	**59.22**
	Current		
	Interest accrued on deposits	71.98	31.59
	Loans and advances to employees	19.24	15.64
	Total	**91.22**	**47.23**
5 (g)	**Contract assets**		
	Unbilled revenue	1,628.94	1,134.22
	Total	**1,628.94**	**1,134.22**

(All amount in Rs. Lacs, unless otherwise stated)

Note 6:
Deferred tax assets/(liabilities) (net)

Particulars	Depreciation	Defined Benefits Obligation	Others	Total
At 1 April, 2018	**(274.04)**	**134.23**	**286.99**	**147.18**
(Charged)/ Credited	-	-	-	-
- to profit and loss Account	(117.50)	0.77	(141.82)	(258.55)
- to other comprehensive income	-	10.48	-	10.48
At 1 April, 2019	**(391.54)**	**145.48**	**145.17**	**(100.89)**
- to profit and loss Account	131.05	(7.06)	(11.86)	112.13
- to other comprehensive income	-	20.17	-	20.17
As at 31 March, 2020	**(260.49)**	**158.59**	**133.31**	**31.41**

Note 7:
Other Assets

Particulars	As at 31 March, 2020	As at 31 March, 2019
Unsecured , considered good unless otherwise stated		
Non Current		
Capital Advances	143.64	109.55
Prepaid expenses	6.08	3.74
Prepaid lease payment (Leasehold Land) (refer note 3(b))	-	341.52
Total	**149.72**	**454.81**
Current		
Prepaid lease payment (Leasehold Land) (refer note 3(b))	-	5.90
Prepaid expenses	54.18	28.42
Balance with government authorities	1,358.39	825.52
Advances to income tax {(Net of provision Rs. 18,691.93 Lacs (31 March, 2019 Rs. Nil)}	355.81	-
Advances to creditors	192.53	652.25
Export incentives receivable (government grant)*		
- Considered good	405.70	563.27
- Considered doubtful	19.04	20.98
	424.74	584.25
Less: Allowances for doubtful export incentives receivable	(19.04)	(20.98)
	405.70	563.27
Others	1.70	1.53
Total	**2,368.31**	**2,076.89**

Note 8:
Inventories

Particulars	As at 31 March, 2020	As at 31 March, 2019
Raw materials {including goods in transit Rs. 453.16 lacs (31 March, 2019 Rs. 412.48 lacs)}	4,575.21	4,355.57
Work-in-progress	1,310.70	1,245.28
Finished goods	3,836.12	3,496.31
Traded goods {including goods in transit Rs.957.82 lacs (31 March, 2019 Rs. 232.17 lacs)}	2,259.46	1,878.02
Stores and spares {including goods in transit Rs. 2.54 lacs (31 March, 2019 Rs. 49.56 lacs)}	1,077.66	768.90
Total	**13,059.15**	**11,744.08**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Note 9(a): Equity Share Capital		
Equity share capital	**1,201.39**	**1,201.39**
Authorised		
120,500,000 equity shares (31 March, 2019 - 120,500,000) of Rs 1 each	1,205.00	1,205.00
Issued, subscribed and fully paid up share capital		
120,139,200 equity shares (31 March , 2019 - 120,139,200) of Rs 1 each (Fully paid up)	1,201.39	1,201.39

(i) Movement in equity share capital

Particulars	Number of shares	Closing balance
Balance as at 1 April, 2018	120,139,200	1,201.39
Changes during the year	-	-
Balance as at 31 March, 2019	120,139,200	1,201.39
Balance as at 1 April, 2019	120,139,200	1,201.39
Changes during the year	-	-
Balance as at 31 March, 2020	120,139,200	1,201.39

Terms and rights attached to equity shares

Equity share has a par value of Rs. 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

	Number of equity shares	
Dutch US Holding B.V., Netherlands	79,877,771	79,877,771

(iii) Details of shares held by each shareholder holding more than 5% shares

Dutch US Holding B.V., Netherlands	79,877,771	79,877,771
	Percentage of shares held	
Dutch US Holding B.V., Netherlands	66.49%	66.49%

Note 9(b):
Other equity

General reserves	8,337.56	8,337.56
Retained earnings	33,128.85	28,084.58
Total	**41,466.41**	**36,422.14**
(i) General reserve		
Opening balance	8,337.56	8,337.56
Balance transferred from reserve during the year	-	-
Closing balance	**8,337.56**	**8,337.56**
(ii) Retained earnings		
Opening balance	28,084.58	22,742.28
Net profit for the year	8,725.08	8,982.66
Remeasurements of post employment benefit obligation, net of tax	(59.96)	(19.51)
Dividend paid	(3,003.48)	(3,003.48)
Dividend distribution tax	(617.37)	(617.37)
Closing balance	**33,128.85**	**28,084.58**

(All amount in Rs. Lacs, unless otherwise stated)

Note 10:
Employee benefit obligation

Employee benefit obligation		As at 31 March, 2020	As at 31 March, 2019
		Current	
Leave obligations		459.92	409.31
Gratuity		170.15	7.01
	Total	**630.07**	**416.32**

(i) Leave obligations

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

The entire amount of provision of Rs. 459.92 Lacs (31 March 2019 - Rs. 409.31 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 amount of accrued leaves or require payment for such leave within the next 12 months.

Leave obligation not expected to be settled within the next 12 months	**437.03**	**359.50**

(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 contribution to provident fund is Rs. 231.58 Lacs (31 March 2019 - Rs. 207.74 Lacs). The expense recognised during the year towards contribution to Employee State Insurance and National Pension Scheme is Rs 42.06 Lacs (31 March 2019 - 51.86 Lacs).

Contribution to provident and other funds:

Contribution to Employee state insurance	5.68	18.43
Contribution to Provident fund	231.58	207.74
Contribution to National Pension Scheme	36.38	33.43
	273.64	**259.60**

(iii) 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, 2020	As at 31 March, 2019
		Funded	
A.	**Changes in Defined Benefit Obligation**		
	Defined benefit obligation as at the beginning of the year	1,021.47	868.42
	Current service cost	84.59	68.67
	Interest cost	78.24	67.13
	Benefit paid	(135.96)	(16.48)
	Actuarial (Gain) / Loss	125.47	33.73
	Defined Benefit Obligation at end of year	**1,173.81**	**1,021.47**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Gratuity As at 31 March, 2020	Gratuity As at 31 March, 2019
	Funded	
Change in fair value of plan assets		
Fair value of plan assets at beginning of the year	1,014.46	837.47
Expected return on plan assets	77.71	64.73
Employer contributions	2.11	125.00
Benefit payments from plan assets	(135.96)	(16.48)
Actuarial Gain/(loss) on plan assets	45.34	3.74
Fair value of plan assets at end of year	**1,003.66**	**1,014.46**
Net defined Benefit Asset/(Liability)		
Present Value of obligation at the end	1,173.81	1,021.47
Fair Value of plan assets	1,003.66	1,014.46
Unfunded Liability/Provision in Balance Sheet	**170.15**	**7.01**
Total expense recognised in the statement of profit and loss		
Current service cost	84.59	68.67
Interest cost	78.24	67.13
Interest income	(77.71)	(64.73)
Total Expense recognised under employee benefit expense (refer note 19)	**85.12**	**71.07**
Total expense recognised in OCI		
Actuarial (Gain) / Loss on defined benefit obligation arising from change in demographic assumption	5.40	4.72
Actuarial (Gain) / Loss on defined benefit obligation arising from change in financial assumption	120.07	29.01
Actuarial (Gain) / Loss of Plan assets	(45.34)	(3.74)
Unrecognised actuarial (gain)/loss at the end of year	**80.13**	**29.99**

(B) Actuarial Assumptions:

i) Discounting Rate	6.76%	7.66%
ii) Future salary Increase	8.00%	8.00%
iii) Retirement Age (Years)	60	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 actuarial advice in accordance with published statistics and experience.

(C) Expected contribution for the next one year

(i) Service cost	96.63	73.21
(ii) Net Interest cost	11.50	0.54
(iii) Expected contribution for the next one year	**108.13**	**73.75**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at 31 March, 2020	As at 31 March, 2019
(D) Maturity profile of Defined Benefit Obligation		
(i) 0 to 1 Year	54.26	160.14
(ii) 1 to 2 Year	44.92	13.91
(iii) 2 to 3 Year	48.01	14.44
(iv) 3 to 4 Year	57.46	14.47
(v) 4 to 5 Year	73.60	34.66
(vi) 5 to 6 Year	138.94	13.86
(vii) 6 Year onwards	756.62	769.99
Total	**1,173.81**	**1,021.47**
(E) Sensitivity analysis on defined benefit obligation		
Discount rate		
a. Discount rate - 0.5% - the liability to increase by	51.47	35.10
b. Discount rate + 0.5% - the liability to decrease by	(48.14)	(33.32)
Salary increase rate		
a. Rate - 0.5% - the liability to decrease by	(47.82)	(33.37)
b. Rate + 0.5% - the liability to increase by	50.62	34.83

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.

(F) 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.

(G) 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.

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		As at 31 March, 2020	As at 31 March, 2019
Note 11:			
Other non current liabilities			
Deposit from employees		73.41	70.06
	Total	**73.41**	**70.06**
Note 12:			
12(a) Trade payable			
Current			
Total outstanding dues of micro enterprises and small enterprises (refer note 31)		403.76	455.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		12,127.47	10,694.03
	Total	**12,531.23**	**11,149.11**
12(b) Other current financial liabilities			
Unpaid dividend		378.01	401.54
Employee benefits payable		644.32	612.53
Payables on purchase of fixed assets		525.88	81.83
	Total	**1,548.21**	**1,095.90**
Note 13:			
Provisions			
Provision for income tax {(Net of advance tax 31 March 2020 Rs. Nil (31 March 2019 Rs. 15,601.06 Lacs)}		-	34.07
	Total	**-**	**34.07**
Note 14(a):			
Other Current Liabilities			
Statutory dues (Contribution to Provident Fund and Employee State Insurance, Goods and Services Tax etc)		234.76	237.88
Deposits from employees		8.85	20.01
	Total	**243.61**	**257.89**
Note 14(b):			
Contract Liabilities			
Advances from customers		169.07	59.46
	Total	**169.07**	**59.46**

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Note 15:			
Revenue from operations (refer note 32)			
Revenue from contracts with customers			
-Sales of products			
(i) Finished goods		43,434.78	46,612.91
(ii) Traded goods		4,643.22	5,402.79
- Total Refractories Management Services #		20,600.40	21,585.83
- Sale of services		382.28	503.61
		69,060.68	**74,105.14**
Other operating revenues(Government grant - export incentives)		548.72	689.56
	Total	**69,609.40**	**74,794.70**

Including Sales of Finished Goods Rs. 7,212.17 Lacs & Sales of Traded Goods Rs. 10,368.25 Lacs (31 March, 2019 Sales of Finished Goods Rs. 9,239.99 Lacs & Sales of Traded Goods Rs. 11,498.13 Lacs).

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Note 16:			
Other income			
Interest income on financial assets on amortised cost:			
- on bank deposits		390.24	242.28
- on others		44.90	62.52
Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss		-	176.19
Net gain on disposal of financial assets (open ended mutual fund scheme)		125.30	439.15
Net foreign exchange differences		32.33	169.22
Liabilities/ provisions no longer required written back		23.73	53.12
Increase in surrender value of keyman insurance policies		2.00	-
Allowances for doubtful trade receivable no longer required written back		-	635.10
Allowances for doubtful export incentive receivable no longer required written back		1.94	6.41
Miscellaneous income		22.13	33.30
	Total	**642.57**	**1,817.29**
Note 17(a)			
Cost of raw materials and components consumed			
Opening stock		4,355.57	3,757.66
Add: Purchases		28,844.31	32,118.11
		33,199.88	35,875.77
Less: Closing stock		4,575.21	4,355.57
	Total	**28,624.67**	**31,520.20**
Note 17(b)			
Purchases of stock-in-trade (traded goods)			
Spray/Ramming mass		5,171.08	6,162.27
Other items		8,108.28	8,843.44
	Total	**13,279.36**	**15,005.71**
Note 18:			
Change in inventories of finished goods, work in-progress and traded goods			
Inventories at the end of the year			
Work in progress		1,310.70	1,245.28
Finished goods		3,836.12	3,496.31
Traded goods		2,259.46	1,878.02
		7,406.28	**6,619.61**
Inventories at the beginning of the year			
Work in progress		1,245.28	1,059.19
Finished goods		3,496.31	2,542.43
Traded goods		1,878.02	953.93
		6,619.61	**4,555.55**
	Total	**(786.67)**	**(2,064.06)**
Note 19:			
Employee benefits expenses			
Salaries, wages and bonus		5,124.76	4,892.08
Contribution to provident fund & others (refer note 10)		273.64	259.60
Gratuity (refer note 10)		85.12	71.07
Leave obligation		80.28	58.07
Staff welfare expenses		193.77	162.24
	Total	**5,757.57**	**5,443.06**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Note 20:			
Other expenses			
Consumption of stores and spare parts		1,485.86	1,733.52
Consumption of packing materials		1,190.20	1,313.73
Power and fuel		2,677.35	2,873.40
Processing charges		1,281.77	1,300.40
Rent {refer note 3(b) & 28(b)}		51.28	37.98
Repairs and maintenance			
- Plant and machinery		297.99	318.02
- Buildings		40.33	79.17
- Others		2.02	1.85
Insurance		58.11	45.57
Rates and taxes		28.83	24.88
Communication costs		37.07	40.13
Travelling and conveyance		192.12	222.40
Printing and stationery		44.08	33.14
Freight and forwarding		1,973.69	2,376.61
Commission on sales (Other than sole selling agents)		221.41	770.01
Advertising and other expenses		52.97	81.77
Donation		2.27	3.72
Expenditure on corporate social responsibility (refer note 21)		169.25	158.55
Legal and professional fees {refer note 20(a)}		305.80	407.10
Royalty		43.13	72.24
Directors sitting fees		13.00	8.00
Bad debts written off		102.31	-
Allowance for doubtful debts - trade receivables		76.34	-
Loss on fixed assets sold/ scrapped		0.08	1.88
Amortization of Prepaid Lease Rent		-	5.90
Bank Charges		82.83	115.68
Miscellaneous expenses		181.43	66.07
	Total	**10,611.52**	**12,091.72**

Note 20(a):
Legal & professional include Payment to Auditors as under: -

Payment to auditor (excluding GST) comprise			
(a) To statutory auditor			
- for audit		63.60	51.54
- for limited review		13.30	12.70
- for certification		-	5.50
- reimbursement of expenses		2.89	1.27
(b) To cost auditor for cost audit		0.50	0.50
	Total	**80.29**	**71.51**

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		251.97	217.07
b) Amount spent during the year on:			
i) Construction/ acquisition of any asset		-	-
ii) On purposes other than (i) above		169.25	158.55
	Total	**169.25**	**158.55**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019

Note 22:
Income Tax Expense

(a) Income Tax Expense

Current Tax	3,043.13	4,490.89
Current tax on profits for the year	13.67	20.14
Adjustments for current tax of prior periods	3,056.80	4,511.03
Total Current Tax Expense		
Deferred Tax		
Deferred Tax Expense/(Benefit)	(112.13)	258.55
Income Tax Expense	**2,944.67**	**4,769.58**

(b) Reconciliation of tax expense and accounting profit multiplied by tax rate

Profit before income tax expense	11,669.75	13,752.24
Tax at the Indian tax rate of 25.17% (Previous year : 34.944 %)	2,937.28	4,805.58
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for Prior Year	13.67	20.14
Corporate social responsibility expenditure	42.60	24.65
Dividend Income	(32.43)	(73.98)
Other	(16.45)	(6.81)
Income tax expense	**2,944.67**	**4,769.58**

Note 23:
Fair Value measurement

Financial instruments by category:

	As at 31 March, 2020		As at 31 March, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Non-current				
Investments		1,012.82		0.30
Loans		256.70		171.16
Other financial assets		46.32		59.22
Current				
Trade receivables		14,624.58		15,743.05
Investment in mutual funds	-		10,316.19	
Cash and bank balances				
- in current accounts		166.97		522.29
- deposits with original maturity of less than three months		10,800.00		1,650.00
Cash on hand		2.70		2.99
Bank balances other than above		378.01		612.21
Other financial assets		91.22		47.23
Total Financial Assets	**-**	**27,379.32**	**10,316.19**	**18,808.45**
Trade payables	-	12,531.23	-	11,149.11
Other financial liabilities	-	1,548.21	-	1,095.90
Total Financial Liabilities	**-**	**14,079.44**	**-**	**12,245.01**

The fair value of deposits with open ended mutual fund schemes have been 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 schemes, closely approximates the fair value.

(All amount in Rs. Lacs, unless otherwise stated)

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.

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 practise 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

Category	As at 31 March 2020	As at 31 March 2019
Not Due	10,375.86	11,993.72
0 - 30	2,661.74	1,809.02
31-60 days	767.88	715.41
61-90 days	215.23	583.03
91-180 days	427.37	602.19
181-240 days	114.74	92.95
More than 240	282.14	90.77
Total	**14,844.96**	**15,887.09**

(All amount in Rs. Lacs, unless otherwise stated)

Loss allowance provision- trade receivable

Particulars	Amount
Loss allowance as on 1 April, 2018	**779.14**
Changes in loss allowance (refer note 16)	(635.10)
Loss allowance as on 1 April, 2019	**144.04**
Changes in loss allowance (refer note 20)	76.34
Loss allowance as on 31 March, 2020	**220.38**

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 believes 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, 2020					
Trade Payables	10,269.37	2,133.09	128.77	-	**12,531.23**
Employee Benefits payable	321.73	322.59	-	-	**644.32**
Unpaid dividend	-	-	378.01	-	**378.01**
Other financial liabilities	201.75	324.13	-	-	**525.88**
31 March,2019					
Trade Payables	10,855.26	90.66	203.19	-	**11,149.11**
Employee Benefits payable	313.57	298.96	-	-	**612.53**
Unpaid dividend	-	-	401.54	-	**401.54**
Other financial liabilities	81.83	-	-	-	**81.83**

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 2020				As at 31 March 2019			
	USD	EURO	NU*	CHF	USD	EURO	GBP	NU*
Trade Payables	3,085.25	31.13	4.37	422.17	2,400.24	30.30	4.80	6.95
Net exposure to foreign currency risk (liabilities)	**3,085.25**	**31.13**	**4.37**	**422.17**	**2,400.24**	**30.30**	**4.80**	**6.95**
Trade Receivables	1,208.46	839.50	-	-	1,867.69	788.12	-	-
Net exposure to foreign currency risk (Assets)	**1,208.46**	**839.50**	**-**	**-**	**1,867.69**	**788.12**	**-**	**-**

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

(All amount in Rs. Lacs, unless otherwise stated)

Sensitivity to risk

Particulars	Impact of profit - (Increase)/ decrease As at 31 March 2020	As at 31 March 2019
USD Sensitivity		
INR/USD - Increase by 5% (31 March, 2019 - 5%)	(93.84)	(26.63)
INR/USD - Decrease by 5% (31 March, 2019 - 5%)	93.84	26.63
Euro Sensitivity		
INR/EURO - Increase by 5% (31 March, 2019 - 5%)	40.42	37.89
INR/EURO - Decrease by 5% (31 March, 2019 - 5%)	(40.42)	(37.89)
CHF Sensitivity		
INR/CHF - Increase by 5% (31 March, 2019 - 5%)	(21.11)	-
INR/CHF - Decrease by 5% (31 March, 2019 - 5%)	21.11	-

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, 2020	Year ended 31 March, 2019
(i) Equity shares		
Final Dividend for the year 31-Mar-2019 of Rs. 2.50 (31 Mar-2018 - Rs. 2.50) per fully paid share	3,003.48	3,003.48
Dividend distribution tax on final dividend	617.37	617.37
(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 (March 31, 2019 of Rs.2.50), in its meeting held on June 29, 2020. 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	-	617.37

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

(All amount in Rs. Lacs, unless otherwise stated)

Secondary Segment Reporting (by Geographical Segments)

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

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Within India	57,279.21	59,352.45
Outside India	12,330.19	15,442.25
Total	**69,609.40**	**74,794.70**

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

Particulars	As at 31 March, 2020	As at 31 March, 2019
Within India	12,576.62	12,726.21
Outside India	2,047.96	3,016.84
Total	**14,624.58**	**15,743.05**

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 assets has not been disclosed.

Note 27:
Contingent Liabilities
Claims against the Company not acknowledged as debts

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Demand from excise and service tax authorities	202.54	114.55
Total	**202.54**	**114.55**

Notes:

(i) No provision is considered necessary since the Company expects favourable decisions.

(ii) Paid under protest of Rs. 5.85 Lacs (31 March, 2019, Rs. 3.09 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 timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

Note 28(a):
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, 2020	As at 31 March, 2019
Tangible Assets	461.26	532.73

(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 for which there were any material foreseeable losses. The Company did not have any long-term derivative contracts as at 31 March, 2020.

(All amount in Rs. Lacs, unless otherwise stated)

Note 28 (b):
Operating lease

The Company's cancellable operating lease arrangement mainly consists of offices, guest house and warehouses for period of less than 11 months. 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 ended 31 March, 2019 was Rs. 37.98 lacs. The Company has adopted Ind As 116 during the year. Refer note 3(b) for the detailed disclosures.

Note 29:
Earning per share

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
(a) Basic earnings per share (Rs.)	7.26	7.48
(b) Diluted earning per share (Rs.)	7.26	7.48
(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.	8,725.08	8,982.66
Weighted average number of equity shares used as the denominator.	120,139,200	120,139,200

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, 2020	As at 31 March, 2019
RHI Magnesita N.V.	Ultimate holding company	Austria	-	-
Dutch US Holding B.V.	Holding company	Netherlands	66.49%	66.49%

(b) Key managerial personnel (KMP)

Mr. Parmod Sagar, Managing Director & CEO
Mr. Sanjeev Bhardwaj, Chief Financial Officer

(c) List of related parties

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

RHI Feuerfest Gmbh
RHI India Private Limited
RHI Clasil Private Limited
Refractory Intellectual Property GmbH & Co KG
Magnesita Mineracao S.A.
RHI Refractories Asia Pacific Pte Ltd
Stopinc Aktiengesellschaft
RHI Magnesita GmbH
RHI Urmitz AG & Co KG

ii) Subsidiary
Intermetal Engineers (India) Private Limited (with effect from May 18, 2019)

iii) Relative of KMP
Mr. Christophar Parvesh

(All amount in Rs. Lacs, unless otherwise stated)

(d) Related Party Transactions

Particulars	Relationship	Year ended 31 March, 2020	Year ended 31 March, 2019
Dutch US Holding B.V.	Holding Company		
Dividend paid		2,090.94	2,090.94
Sales:			
RHI India Private Limited	Fellow Subsidiary	4,575.28	1,441.00
RHI Clasil Private Limited	Fellow Subsidiary	68.52	432.46
RHI Feuerfest Gmbh	Fellow Subsidiary	-	5,556.41
RHI Magnesita GmbH	Fellow Subsidiary	9,283.15	3,710.73
RHI Urmitz AG & Co KG	Fellow Subsidiary	184.64	-
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	189.18	540.49
Purchase			
Stopinc Aktiengesellschaft	Fellow Subsidiary	962.51	189.36
RHI Clasil Private Limited	Fellow Subsidiary	594.09	234.49
RHI India Private Limited	Fellow Subsidiary	374.71	206.13
RHI Feuerfest Gmbh	Fellow Subsidiary	-	3,290.53
Magnesita Mineracao S.A.	Fellow Subsidiary	37.60	-
Intermetal Engineers (India) Private Limited	Subsidiary	0.39	-
RHI Magnesita GmbH	Fellow Subsidiary	3,205.65	1,721.18
Managerial remuneration			
Mr. Parmod Sagar	KMP	278.61	276.20
Mr. Sanjeev Bhardwaj	KMP	106.82	97.92
Salary			
Mr. Christophar Parvesh	Relative of KMP	8.95	7.85
Royalty			
Refractory Intellectual Property GmbH & Co KG	Fellow Subsidiary	-	48.32
Investment			
Intermetal Engineers (India) Private Limited	Subsidiary	1,012.52	-
Expenses reimbursement {Received/(Paid)}			
RHI Clasil Private Limited	Fellow Subsidiary	1.56	6.49
RHI India Private Limited	Fellow Subsidiary	26.61	141.07
RHI Feuerfest Gmbh	Fellow Subsidiary	-	42.43
RHI Magnesita GmbH	Fellow Subsidiary	41.30	62.82
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	-	29.14

(All amount in Rs. Lacs, unless otherwise stated)

(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, 2020	As at 31 March, 2019
Investment:			
Intermetal Engineers (I) Pvt. Ltd.	Subsidiary	1,012.52	-
Total Investment		**1,012.52**	**-**
Trade Payables:			
RHI India Private Limited	Fellow Subsidiary	26.33	14.19
Refractory Intellectual Property GmbH & Co KG	Fellow Subsidiary	46.97	85.88
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	123.32	199.01
RHI Clasil Private Limited	Fellow Subsidiary	245.44	-
Stopinc Aktiengesellschaft	Fellow Subsidiary	422.17	-
Magnesita Mineracao S.A.	Fellow Subsidiary	12.87	-
Intermetal Engineers (I) Pvt. Ltd.	Subsidiary	0.19	-
RHI Magnesita GmbH	Fellow Subsidiary	1,828.41	1,321.00
Total Trade Payable to related parties		**2,705.70**	**1,620.08**
Trade Receivable:			
RHI India Private Limited	Fellow Subsidiary	1,003.29	434.30
RHI Clasil Private Limited	Fellow Subsidiary	10.65	52.42
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	85.27	237.49
RHI Urmitz AG & Co KG	Fellow Subsidiary	1.25	-
RHI Magnesita GmbH	Fellow Subsidiary	784.45	1,834.00
Total Trade receivables from related parties		**1,884.91**	**2,558.21**

Note 31:
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	403.76	455.08
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.99	0.13
(iii) Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year.	739.10	30.00
(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	1.99	0.13
(vii) Further Interest remaining due and payable for earlier years	0.35	0.22

(All amount in Rs. Lacs, unless otherwise stated)

Note 32:
Revenue from Contracts with Customers
Revenue from contracts with customers (refer note 15)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
The Company has recognised the following amounts relating to revenue in the statement of profit and loss:		
Sale of products		
(i) Finished goods	43,434.78	46,612.91
(ii) Traded goods	4,643.22	5,402.79
Total Refractories Management Services #	20,600.40	21,585.83
Sale of services	382.28	503.61
Revenue from contracts with customers	**69,060.68**	**74,105.14**
Other operating revenues(Government grant - export incentives)	548.72	689.56
Total Revenue	**69,609.40**	**74,794.70**

Including Sales of Finished Goods Rs. 7,212.17 Lacs & Sales of Traded Goods Rs. 10,368.25 Lacs (31 March, 2019 Sales of Finished Goods Rs. 9,239.99 Lacs & Sales of Traded Goods Rs. 11,498.13 Lacs).

Disaggregation of Revenue

In the following tables, revenue is disaggregated by product group and by geography. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer note 26). The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Disaggregation of Revenue by Geography		
Within India	57,279.21	59,352.45
Outside India	12,330.19	15,442.25
Total Revenue	**69,609.40**	**74,794.70**

Timing of Revenue Recognition

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract.

Revenue from contracts for total refractory management services, revenue is recognized over time on the basis using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from providing services is recognized in the accounting period in which the services ae rendered.

Performance obligations

Revenue from the sale of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract. Control is defined as the ability to direct the use and obtain substantially all the economic benefits from an asset. For the terms CIF (Cost, Insurance and Freight), transport service gives rise to a separate performance obligation to which a part of revenue has to be allocated, as this service is performed after the control of the product is transferred to the customer.

For Refractory Management services where the transaction price depends on the customer’s production tonnage the management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Company, which includes supply of refractory material and its related services to produce steel. Thus, only one single performance obligation, the performance of refractory management services, exists. With regard to these contracts, revenue is recognised over time using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from services is recognised over time, using an input method to measure progress towards completion of service, because the customer simultaneously receives and consumes the benefits provided by the Company.

Transaction price allocated to the remaining performance obligations

Transaction price is the expected consideration to be received in exchange for transferring goods or services, to the extent that it is highly probable that there will not be a significant reversal of revenue. For Refractory Management Contracts, transaction price depends on the customer’s production performance.

(All amount in Rs. Lacs, unless otherwise stated)

The Company has applied practical expedient in Ind AS 115. Accordingly it has not disclosed information about remaining performance obligations wherein the Company has a right to consideration from customer in an amount that directly corresponds with the value to the customer of entity's performance till date using the output method and for the other contracts which have original expected durations of one year or less.

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Reconciliation of revenue recognised with contract price		
Contract price	69,090.27	74,239.53
Adjustments for:		
Claims & Rebates	(84.89)	(208.86)
Performance Bonus	55.30	74.47
Revenue from contracts with customers	**69,060.68**	**74,105.14**

Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as Contract Asset.

A receivable is a right to consideration that is unconditional upon passage of time.

Contract assets consist of unbilled revenue which arises when the Company satisfies the performance obligation in the Refractory Management Services contracts but does not have an unconditional right to consideration as it is dependent on the certification of the report on the quantity of steel produced. Contract asset usually gets converts to Trade Receivables within a time period of 30 days.

Contract liabilities consists of advances from customers. Contract liabilities are presented in note 14(b)

Trade receivables are presented net off impairment loss in note 5(b).

Revenue recognised that was included in the contract liability balance at the beginning of the year

Revenue from contract with customers	59.46	770.82
Total	**59.46**	**770.82**
Movement in Contract Assets		
Opening balance as on April 1, 2019	1,134.22	370.47
Add: Revenue recognized during the year	69,060.68	74,105.14
Less: Invoiced during the year	(68,565.96)	(73,341.39)
Less: Impairment/(reversal) during the year	-	-
Closing balance as on March 31, 2020	**1,628.94**	**1,134.22**
Movement in Contract Liabilities		
Opening balance as on April 1, 2019	59.46	770.82
Add: Collection during the year	1,920.50	1,938.16
Less: Gross Sales	(1,810.89)	(2,649.52)
Closing balance as on March 31, 2020	**169.07**	**59.46**

The contract assets primarily relate to the company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the right become unconditional. The contract liabilities primarily relate to the advance consideration received from customers.

Significant judgements in the application of the Standard

For Refractory Management Contracts where the transaction price depends on the customer's production performance, the management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Component, which includes supply of refractory material and its related services to produce steel. The customer expects complete refractory management for the agreed product areas in the steep plant in order to enable steel production. Thus, only one single performance obligation, performance of refractory management service, exists.

Note 33:
Merger

On 31 July, 2018 the Board of Directors of the Company, RHI India Private Limited (the 'RHI India') and RHI Clasil Private Limited (the 'RHI Clasil') (together, the Merging Entities) had granted its in-principle approval to the scheme of amalgamation of RHI India and RHI Clasil with and into the Company with the proposed appointed date of 1 January, 2019 ('the Scheme'). Meeting of the equity shareholders and the unsecured creditors of Orient Refractories Limited and the merging entities was held on 17 May, 2019 pursuant to an order of the Hon'ble National Company

Law Tribunal, Mumbai Bench (NCLT) dated 29 March, 2019 wherein they had approved the Scheme without modification. NCLT, Mumbai Bench has rejected the Scheme of amalgamation vide its order dated 2 March, 2020. The Company is in the process of filing the appeal with National Company Law Appellate Tribunal against this order. The standalone financial statements have been prepared without considering the impact, if any of the proposed merger.

Note 34:
Acquisition of Subsidiary

The Board of Directors on 30 April, 2019 approved the acquisition of the entire paid-up equity share capital of "Intermetal Engineers India Private Limited" (the 'IEIPL') a company comprising of 1,597 equity shares of Rs.100/- each to make it a wholly owned subsidiary of the Company. The process of acquisition of IEIPL was completed on 18 May, 2019. The Company has paid consideration of Rs. 1,012.52 Lacs for the acquisition of IEIPL.

Note 35:
Acquisition of group of assets

During the year ended 31 March, 2020, the Company has completed the acquisition of group of assets from Manishri Refractories and Ceramics Private Limited, for a total consideration of Rs. 4,376 lacs. The group of assets include Land, Building and Plant and Machinery. The acquisition of assets has been appropriately recorded as per the requirements of Ind AS 16 and the valuation of Land and Building has been determined based on valuation done by an independent valuer.

Note 36:
Impact of Change in Income Tax rate

On 20 September, 2019, the Government of India vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay Income tax at reduced rate effective 1 April, 2019 subject to certain conditions. The tax expenses for the year ended 31 March, 2020 have been provided for at a reduced tax rate and accordingly, tax expense for the year ended 31 March, 2020 is lower and profit after tax is higher by Rs.1,182.15 lacs.

Note 37:
Assessment of impact of Covid-19

The announcement of lockdown restrictions by the Government of India with effect from 24 March, 2020 led to shutting down of operations at most of the Company's locations including plant at Bhiwadi, Rajasthan and some of its operations at the customer sites. Cuttack plant continued without any significant disruptions. The operations in these businesses have restarted in a phased manner from 20 April, 2020. The capacity utilization is going up continuously in accordance with the demand. The Company has considered the possible impact of internal and external factors known to the management upto the date of approval of these standalone financial statement, to assess and finalise the carrying amount of its assets and liabilities. Based on its assessment, management believes that no adjustments are required in these standalone financial statements. However, in view of the various preventive measures taken (such as lockdown, travel restriction , etc) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods in highly dependent upon circumstances as they evolve.

Note 38:
Rounding of amounts

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

Note 39:
Previous year's figures

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

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

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ORIENT REFRACTORIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Orient Refractories Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") (refer Note 2 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2020 and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph 17 of the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw your attention to Note 37 to the consolidated financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Group. The management believes that no adjustments are required in the consolidated financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

   Below Key Audit Matters have been reproduced from the report, of the even date, on the audit of standalone financial statements of the Holding Company.

Key audit matters

i. Determination of cost of Work-in-Progress and Finished Goods for valuation of inventory

Refer to Note 8 (Inventories) and Note 2.14 (Significant accounting policies on Inventories) to the consolidated financial statements.

The carrying amount of inventory of work in progress is Rs. 1,310.70 lacs and of finished goods is Rs. 3,836.12 lacs as at March 31, 2020.

The Company carries its inventory for work-in-progress and finished goods at the lower of cost and net realizable value. The cost is determined using weighted average cost formula.

The Company's process for arriving at the cost of inventory of work in progress and finished goods involves manual determination of the composition of raw material included in the inventory based on physical count of the inventory and its reconciliation with the raw material issued for the related batch under production/ produced, and allocation of an appropriate proportion of production overheads.

We considered this as a key audit matter because of the significance of the inventory balance to the standalone financial statements and the Company's processes involving manual calculations around determination of composition which carry an inherent risk of errors and accordingly may impact the carrying values of inventory.

How our audit addressed the key audit matter

We carried out the following procedures:

- Obtained understanding on the process and controls over the inventory costing and inventory cycle and evaluated and tested such controls.
- Verified the composition of raw material included in the inventory of work-in-progress and finished goods from the approved Bills of Material (BOM).
- Consequent to the lockdown restrictions at year end, we observed the physical verification of inventory of work in progress and finished goods conducted by the management in the Bhiwadi factory, on a test check basis, and verified the roll back procedures performed by the management to obtain the sufficient appropriate audit evidence about the existence of inventory at the balance sheet date.
- For the inventory of finished goods at Total Refractory Management (TRM) sites, we observed the physical verification conducted by management, on a test check basis, prior to year-end and verified the roll forward procedures performed by the management to obtain the sufficient appropriate audit evidence about the existence of inventory at the balance sheet date.
- Verified the stores records and other underlying documentation for verification of issuance of raw material to the batches of production.
- Verified that the overheads allocated comprise of the costs that are incurred in relation to the production process.
- Verified the arithmetical accuracy of calculation of cost of inventory including allocation of production overheads.

Based on the above audit procedures, we considered the management's determination of cost of work-in-progress and finished goods for valuation of inventory to be reasonable.

ii. Allowance for doubtful trade receivables

Refer to Note 5(b) Trade Receivables and Note 2.7(D) (Significant accounting policies on Impairment of financial assets) to the consolidated financial statements.

Trade Receivables as at March 31, 2020 amount to Rs. 14,624.58 lacs (net of allowance for doubtful debts of Rs. 220.38 lacs).

The Company determines the allowance for doubtful debts based on historical loss experience adjusted to reflect current and estimated future economic conditions, relating to industries the Company deals with and has receivables from.

In calculating the allowance for doubtful trade receivables, the Company has also considered subsequent collections and other information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the Covid-19.

We identified allowance for doubtful debts as a key audit matter because of the significance of Trade Receivables balance to the standalone financial statements and considering that the Management exercises significant judgment in estimating the allowance for doubtful debts.

How our audit addressed the key audit matter

Our audit procedures related to the allowance for doubtful debts for trade receivables included the following:

- Obtained understanding of the process and controls over the determination of adequacy of allowance for doubtful debts.
- Tested the design, implementation and operating effectiveness of relevant internal controls relating to collection of trade receivables and the calculation of the allowance for trade receivables.
- Evaluated reasonableness of the method and assumptions and judgements used by the Management with respect to recoverability of trade receivables.
- Assessed the profile of trade receivables and the economic environment applicable to these debtors.
- For a sample of customers:
- We obtained and tested the details of collections subsequent to the year-end from the debtors outstanding as at March 31, 2020.
- We tested other information used in estimating the probability of default by comparing them to external and internal sources of information.
- We tested the mathematical accuracy and computation of the allowances by the Company.
- Evaluated the appropriateness of the presentation and disclosures made in the financial statements.

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

7. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

8. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the report of the other auditors as furnished to us (refer paragraph 17 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

9. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

Auditor's responsibilities for the audit of the standalone financial statements

12. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs

will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

17. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 1,138.84 lacs and net assets of Rs. 980.77 lacs as at March 31, 2020, total revenue of Rs. 359.81 lacs, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 50.71 lacs and net cash flows amounting to Rs. 471.77 lacs for the period May 18, 2019 to March 31, 2020, as considered in the consolidated financial statements. The financial statements of the subsidiary have been audited by other auditor whose reports have been furnished to us

by the Management. The financial information considered in the consolidated financial statements are of the period May 18, 2019 to March 31, 2020, which have been extracted by the Management from the audited financial statements of the subsidiary, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor and information certified by the management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditor and the financial information certified by the management.

Report on Other Legal and Regulatory Requirements

18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors' of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to financial statements of the Group 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group– Refer Note 27 to the consolidated financial statements.

ii. The Group has long-term contracts as at March 31, 2020 for which there were no material foreseeable losses. The Group did not have any long-term derivative contracts as at March 31, 2020.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2020.

19. The Group 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.

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

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 20077779AAAAAW3917

Place: Gurugram
Date: June 29, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of Orient Refractories Limited on the consolidated financial statements for the year ended March 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to consolidated financial statements of Orient Refractories Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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, and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 Holding Company and its subsidiary Company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, 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.

Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a Company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not qualified in respect of this matter.

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

Abhishek Rara
Partner
Membership Number: 077779
UDIN: 20077779AAAAAW3917

Place: Gurugram
Date: June 29, 2020

CONSOLIDATED BALANCE SHEET

(Amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	As at 31 March, 2020	As at 31 March, 2019
Assets			
Non-current assets			
Property, plant and equipment	3(a)	13,317.26	5,985.45
Capital work-in-progress	3(a)	369.70	272.28
Intangible assets	4	9.72	14.86
Financial assets			
i) Investments	5(a)	0.30	0.30
ii) Loans	5(c)	256.70	171.16
(iii) Other financial assets	5(f)	46.32	59.22
Other non-current assets	7	149.72	454.81
Total non-current assets		**14,149.72**	**6,958.08**
Current assets:			
Inventories	8	13,098.88	11,744.08
Financial assets			
(i) Trade receivables	5(b)	14,640.98	15,743.05
(ii) Investments	5(a)	-	10,316.19
(iii) Cash and cash equivalents	5(d)	11,462.43	2,175.28
(iv) Bank balances other than above	5(e)	478.01	612.21
(v) Other financial assets	5(f)	93.39	47.23
Contract assets	5(g)	1,628.94	1,134.22
Other current assets	7	2,397.31	2,076.89
Total current assets		**43,799.94**	**43,849.15**
Total Assets		**57,949.66**	**50,807.23**
Equity and liabilities			
Equity			
Equity share capital	9(a)	1,201.39	1,201.39
Other equity	9(b)	41,428.78	36,422.14
Equity attributable to the owners of Orient Refractories Limited		**42,630.17**	**37,623.53**
Liabilities			
Non-current liabilities			
Other non-current liabilities	11	73.41	70.06
Deferred tax liabilities (net)	6	52.93	100.89
Total non-current liabilities		**126.34**	**170.95**

(Amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	As at 31 March, 2020	As at 31 March, 2019
Current liabilities			
Financial liabilities			
(i) Trade payables	12(a)		
- Total outstanding dues of micro and small enterprises		433.44	455.08
- Total outstanding dues of creditors other than micro enterprises and small enterprises		12,147.58	10,694.03
(ii) Other financial liabilities	12(b)	1,554.86	1,095.90
Contract liabilities	14(b)	182.23	59.46
Provisions	13	-	34.07
Employee benefit obligations	10	630.07	416.32
Other current liabilities	14(a)	244.97	257.89
Total current liabilities		**15,193.15**	**13,012.75**
Total Liabilities		**15,319.49**	**13,183.70**
Total Equity and Liabilities		**57,949.66**	**50,807.23**

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

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2020	Year ended 31 March, 2019
Revenue from operations	15	69,968.82	74,794.70
Other income	16	660.83	1,817.29
Total Revenue		**70,629.65**	**76,611.99**
Expenses			
Cost of raw material and components consumed	17(a)	28,815.31	31,520.20
Purchases of stock-in-trade (traded goods)	17(b)	13,279.36	15,005.71
Changes in inventories of finished goods, work-in-progress and traded goods	18	(789.93)	(2,064.06)
Employee benefits expenses	19	5,808.09	5,443.06
Depreciation and amortisation expense	3 & 4	1,109.44	863.12
Other expenses	20	10,674.41	12,091.72
Total expenses		**58,896.68**	**62,859.75**
Profit before tax		**11,732.97**	**13,752.24**
Tax expense:			
- Current tax	22	3,071.23	4,490.89
- Deferred tax charge/(credit)	22	(39.06)	258.55
- Short / (Excess) provision for tax relating to prior years	22	14.25	20.14
Total tax expense		**3,046.42**	**4,769.58**
Profit for the year		**8,686.55**	**8,982.66**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurement of the defined benefit plans		(80.13)	(29.99)
- Income tax relating to the above		20.17	10.48
Other comprehensive income for the year, net of tax		**(59.96)**	**(19.51)**
Total comprehensive income for the year		**8,626.59**	**8,963.15**
Basic earning per share (Face value of Re 1 each share)	29	7.23	7.48
Diluted earning per share (Face value of Re 1 each share)	29	7.23	7.48

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

For and on behalf of the Board of Directors of
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Managing Director & CEO
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Sanjeev Bhardwaj
Chief Financial Officer

Manoj Gupta
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

STANDALONE STATEMENT OF CHANGES IN EQUITY

(All amount in Rs. Lacs, unless otherwise stated)

Equity Share Capital

Particulars	Notes	Amount
As at 1 April, 2018	9 (a)	1,201.39
Change in Equity Share Capital		**-**
As at 31 March, 2019		1,201.39
Change in Equity Share Capital	9 (a)	-
As at 31 March, 2020		**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 2019	9(b)	8,337.56	28,084.58	**36,422.14**
Addition on May 18, 2019 on account of acquisition of subsidiary		0.90		**0.90**
Profit for the year			8,686.55	**8,686.55**
Other comprehensive income			(59.96)	**(59.96)**
Total comprehensive income for the year		**8,338.46**	**36,711.17**	**45,049.63**
Dividend paid		-	(3,003.48)	(3,003.48)
Dividend distribution tax		-	(617.37)	(617.37)
Balance as on 31 March, 2020		**8,338.46**	**33,090.32**	**41,428.78**
Balance as at 1 April 2018	9(b)	8,337.56	22,742.28	**31,079.84**
Profit for the year			8,982.66	**8,982.66**
Other comprehensive income			(19.51)	**(19.51)**
Total comprehensive income for the year		**8,337.56**	**31,705.43**	**40,042.99**
Dividend paid		-	(3,003.48)	(3,003.48)
Dividend distribution tax		-	(617.37)	(617.37)
Balance as on 31 March, 2020		**8,337.56**	**28,084.58**	**36,422.14**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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

Dr. Vijay Sharma
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Sanjeev Bhardwaj
Chief Financial Officer

Manoj Gupta
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

CONSOLIDATED CASH FLOW STATEMENT

(Amount in Rs. Lacs)

	Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
A.	**Cash flow from operating activities**		
	Profit before tax	**11,732.97**	**13,752.24**
	Adjustments for:		
	Depreciation and amortisation expense	1,109.44	863.12
	Amortization of Prepaid expense	-	5.89
	Interest income	(445.17)	(304.80)
	Bad debts written off	102.31	-
	Allowance for doubtful debts - trade receivables	79.75	-
	Allowances for doubtful trade receivable no longer required written back	-	(635.10)
	Allowances for doubtful export incentive receivable no longer required written back	(1.94)	(6.41)
	Liabilities/ provisions no longer required written back	(23.73)	(53.12)
	Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss	-	(176.19)
	Net gain on disposal of financial assets (open ended mutual fund scheme)	(129.17)	(439.15)
	(Profit)/Loss on fixed assets sold/ scrapped	(1.59)	1.88
	Net unrealised foreign exchange gain/(loss)	(34.87)	3.21
	Items that will not be reclassified to Profit or loss	(80.13)	(29.99)
	Dividend Received	(1.74)	-
	Operating profit before working capital changes	**12,306.13**	**12,981.58**
	Changes in operating assets and liabilities		
	(Increase) in inventories	(1,332.01)	(2,638.09)
	Decrease in trade receivables	1,058.78	774.83
	(Increase)/ Decrease in other current financial assets	(3.60)	3.00
	Decrease/ (Increase) in other current assets	72.55	(924.16)
	(Increase) in loans	(85.76)	(79.03)
	(Increase) in contract assets	(494.72)	(763.75)
	Decrease/ (Increase) in other non-current financial assets	12.90	(29.65)
	(Increase)/ Decrease in other non-current assets	(2.34)	0.86
	Increase in trade payables	1,307.12	1,300.10
	Increase in other financial liabilities	31.79	124.06
	Increase in employee benefit obligations	213.75	28.45
	Increase in non current liabilities	3.35	7.20
	Increase/(Decrease) contract liabilities	104.78	(711.36)
	(Decrease)/ Increase other current liabilities	(14.41)	110.60
	Cash generated from operations	**13,178.31**	**10,184.64**
	Net income tax paid	(3,477.62)	(4,750.33)
	Net cash flow from operating activities (A)	**9,700.69**	**5,434.31**
B.	**Cash flows from investing activities**		
	Investment in mutual funds	(19,120.00)	(45,195.00)
	Proceeds from redemption of mutual funds	30,088.66	46,261.37
	Investment in Subsidiary net of cash acquired from subsidiary	(991.53)	-
	Decrease/ (Increase) in other bank balances	200.99	(81.37)
	Capital expenditure on fixed assets, including capital advances	(7,402.11)	(1,795.32)
	Proceeds from sale of fixed assets	45.49	26.13
	Interest received	407.60	311.66
	Dividend Received	1.74	-
	Net cash flow used in investing activities (B)	**3,230.84**	**(472.53)**

(Amount in Rs. Lacs)

	Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
C.	**Cash flows from financing activities**		
	Dividend paid on equity shares	(3,027.01)	(2,909.85)
	Tax on dividend	(617.37)	(617.37)
	Net cash flow from used in financing activities (C)	**(3,644.38)**	**(3,527.22)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**9,287.15**	**1,434.56**
	Cash and cash equivalents at the beginning of the year	2,175.28	740.72
	Cash and cash equivalents at the end of the year	**11,462.43**	**2,175.28**
	Cash and cash equivalent included in the cash flow statement comprise of the following:		
	Balances with Bank		
	- in current accounts	218.72	522.29
	- deposits with original maturity of less than three months	11,240.50	1,650.00
	Cash on hand	3.21	2.99
		11,462.43	**2,175.28**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Orient Refractories Limited ('the Company' or 'the Holding 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 C-604, Neelkanth Business Park, Opposite Railway Station, Vidhyavihar (West), Mumbai, Maharshtra-400086, India. The Company is primarily engaged in the business of manufacturing and trading of refractories, monolithics, bricks and ceramic paper and has a manufacturing facility in Bhiwadi (Rajasthan) and Cuttack (Orrisa). The Company has a subsidiary i.e. Intermetal Engineers (India) Private Limited ('the subsidiary') which is primarily engaged in the business of manufacturing and sale of slide gate mechanics and related components.

The consolidated financial statements were approved by the Board of Directors and authorised for issue on June 29, 2020.

2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements consist of the Holding Company and its subsidiary (Holding Company and its subsidiary together referred to as "the Group").

The consolidated financial statements have been prepared for the first time during the year ended March 31, 2020 on acquisition of the subsidiary referred to above on May 18, 2019. The previous year's figures are of the Holding Company and accordingly are not comparable.

2.1 Basis of preparation

(i) Compliance with Ind AS

The consolidated 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.

(ii) Historical cost convention

The Consolidated 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;

(iii) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

- Ind AS 116, Leases
- Uncertainty over Income tax treatments – Appendix C to Ind AS 12, Income Taxes
- Plan Amendment, Curtailment or Settlement - Amendments to Ind AS 19, Employee Benefits
- Amendment to Ind AS 12, Income Taxes
- Amendment to Ind AS 23, Borrowing costs
- Amendments to Ind AS 109

The Group has changed its accounting policies as a result of adopting Ind AS 116. Refer note 2.6 for the details of change in accounting policy. The impact of adoption of Ind AS 116 has been disclosed in note 3(b) The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Principals of consolidation and equity accounting

Subsidiary is the entity over which the Group has control. The Group controls an entity where the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to effect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The acquisition method of accounting has been used to account for business combinations by the Group.

The Group has combined the financial statements for the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Unrealised losses have also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group. Also refer to note 2 above.

2.2 Critical accounting estimates, assumptions and judgements

The preparation of Consolidated Financial Statements 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 Consolidated 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 Group's accounting policies, the management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the consolidated 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 Group reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated 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 Group as it is not possible to predict the outcome of pending matters with accuracy.

(e) Allowance for doubtful trade receivables

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.

(f) Revenue from contracts with customers

For Refractory Management Contracts where the transaction price depends on the customer's production, customer expects total refractory management services from the Group, which includes supply of refractory material and its related services to produce steel. The customer expects complete refractory management for the product of steel in the steel plant. Thus, only one single performance obligation, performance of refractory management service, exists.

2.3 Current Versus non-current Classification

All assets and liabilities have been classified as current or non-current as per the Group'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 Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.4 Property Plant and Equipment

Freehold land is carried at historical cost. All other 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 Group 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 had elected to continue with the carrying value of its property, plant and equipment recognised as at April 1, 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.

2.5 Intangible Assets

On transition to Ind AS, the Group 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 Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group 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

2.6 Leases

Till 31 March 2019:

As a Lessee

Leases of property, plant and equipment where the Group, 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 Group 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.

With effective from 1 April 2019:

As a lessee

From April 1, 2019, leases are recognised as a Right-of-Use (RoU) asset at cost with a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116 'Leases'.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.7 Financial assets (Debt Instruments)

A. Classification and initial recognition

Financial assets are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the asset. The Group determines the classification of its financial assets at initial recognition. The Group 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 measured at fair value. Transactions cost that are directly attributable to the acquisition of financial asset (other than financial asset at fair value through profit and loss) are added from the fair value of financial asset.

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 (FVPL):

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 Group 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 Group. 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 and Loss.

b. Financial assets measured at amortised cost

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 and 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 Group 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 Group has transferred an asset, the Group 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 Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the Group 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 Group has not retained control of the financial asset. Where the Group 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 Group 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 Group 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 Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

2.8 Financial Liabilities

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

The Group'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 derecognized.

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.

2.9 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 Group or the counterparty.

2.10 Fair Value Measurement

The Group 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 Consolidated 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.

2.11 Derivative financial instruments

The Group 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.

2.12 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.

2.13 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 consolidated 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.

2.14 Inventories

Inventories are valued at the lower of cost (on first in first out basis in respect of trading goods and on weighted average basis in respect of raw materials, work-in-progress and finished goods) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods, including freight, octroi and other levies. Work-in-progress and finished goods include appropriate proportion of labour and overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Stores and spares inventory is valued at cost.

2.15 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.

2.16 Provisions, contingent liabilities and contingent assets

a) Provisions

Provisions are recognised when the Group 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 Group 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 Consolidated Financial Statements.

2.17 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 Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

2.18 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 Group has authorised its Managing Director & CEO to assess the financial performance and position of the Group, 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.

2.19 Revenue recognition

Revenue is recognized upon transfer of control of promised products or services to customers either over time or at a point of time at an amount that reflects the consideration the Group expects to be entitled to in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset.

Revenue is measured based on the transaction price, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. If the consideration in a contract includes a variable amount, at the inception of the contract, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer.

At the inception of the contract, the Group identifies the goods or services promised in the contract and assesses which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual Incoterms agreed in the customer contract.

Revenue from contracts for total refractory management services, revenue is recognized over time on the basis using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from providing services is recognized in the accounting period in which the services as rendered.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable, depending on whether something other than the passage of time is required before the consideration is due.

2.20 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 Group 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.

2.21 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 Group'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 Group'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 at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

2.22 Foreign currency translation

(i) Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates (`the functional currency'). The Group's operations are primarily in India.

The Consolidated financial statements are presented in Indian rupee (INR), which is the Group'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.

2.23 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.

2.24 Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- 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

2.25 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.26 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

Note 3(a):

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

Particulars	Right-of-use Assets (Leasehold Land)	Freehold Land	Buildings	Plant and machinery	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work-in-progress
Balance as at 1 April, 2018	-	-	830.15	3,835.00	30.27	126.89	422.65	**5,244.96**	1,400.91
Additions	-	-	473.24	2,160.68	7.97	59.37	172.63	**2,873.89**	1,745.97
Disposals	-	-	-	(0.35)	-	(3.08)	(28.63)	**(32.06)**	(2,874.60)
Balance as at 31 March, 2019	**-**	**-**	**1,303.39**	**5,995.33**	**38.24**	**183.18**	**566.65**	**8,086.79**	**272.28**
Reclassification as per Ind AS 116 (Refer Note 3(b))	347.42	-	-	-	-	-	-	**347.42**	-
Addition on May, 18, 2019 (on account of acquisition of the subsidiary)*	-	187.77	248.97	0.94	0.10	1.94	0.69	**440.41**	-
Additions	-	3,145.35	1,586.03	2,851.26	27.66	30.71	56.86	**7,697.87**	7,813.75
Disposals	-	-	-	(6.69)	-	(0.75)	(47.35)	**(54.79)**	(7,716.33)
Balance as at 31 March, 2020	**347.42**	**3,333.12**	**3,138.39**	**8,840.84**	**66.00**	**215.08**	**576.85**	**16,517.70**	**369.70**
Accumulated depreciation									
Balance as at 1 April, 2018	-	-	92.18	995.50	6.56	43.68	115.36	**1,253.28**	-
Charge for the year	-	-	64.70	684.02	4.15	30.72	68.52	**852.11**	-
Depreciation on assets disposed off during the year	-	-	-	-	-	(0.07)	(3.98)	**(4.05)**	-
Accumulated depreciation as at 31 March, 2019	**-**	**-**	**156.88**	**1,679.52**	**10.71**	**74.33**	**179.90**	**2,101.34**	-
Addition on May, 18, 2019 (on account of acquisition of the subsidiary)*	-	-	20.85	0.16	0.05	0.73	0.65	**22.44**	-
Charge for the year	5.92	-	105.85	852.14	6.22	37.84	77.86	**1,085.83**	-
Depreciation on assets disposed off during the year	-	-	-	(0.26)	-	(0.19)	(8.72)	**(9.17)**	-
Accumulated depreciation as at 31 March, 2020	**5.92**		**283.58**	**2,531.56**	**16.98**	**112.71**	**249.69**	**3,200.44**	**-**
Carrying amount									
Balance as at 31 March, 2019	**-**	**-**	**1,146.51**	**4,315.81**	**27.53**	**108.85**	**386.75**	**5,985.45**	**272.28**
Balance as at 31 March, 2020	**341.50**	**3,333.12**	**2,854.81**	**6,309.28**	**49.02**	**102.37**	**327.16**	**13,317.26**	**369.70**

*Recorded at fair value by the Subsidiary. The fair value of freehold factory land, factory and office premise has been determined by external, independent property valuers. The fair value has been arrived at by the valuer based on comparative market price i.e. selling price method determined based on the market feedback of investigations, local enquiries with architects and real estate consultants, supply and demand in the vicinity etc.

(All amount in Rs. Lacs, unless otherwise stated)

Note 3(b):
Leases

Disclosure on adoption of Ind AS 116 'Leases': The Group has adopted Ind AS 116 with effect from April 1, 2019 by following Modified Retrospective method. The Group has taken on lease offices, guest house and warehouses. Rental Contracts are typically made for fixed periods of less than 11 months. The Group has also entered into a contract with Rajasthan government for lease of factory premises at Bhiwadi for 99 years. The Group has paid lease rent of 99 years in advance, which was disclosed as Prepaid Lease Payment, under other Assets as at March 31, 2019 and during the year it has been reclassified to Right-of-Use Assets in accordance with Ind AS 116. There is no case where the Group is acting as a lessor.

(i) Amount Recognised in Balance Sheet

	Note	As at 31 March, 2020	As at 31 March, 2019
Right-of-use assets	3(a)	**347.42**	**-**
		347.42	**-**

(ii) Amounts recognised in the Statement of Profit and Loss

	Note	As at 31 March, 2020	As at 31 March, 2019
Depreciation charge of right-of-use assets	3(a)	**5.92**	**-**
		5.92	**-**
Expense relating to short-term leases (included in other expenses)	20	**51.92**	**-**

(iii) In applying Ind AS 116 for the first time, the Company has used the following practical expedient:

Accounting for operating leases with a remaining lease term of less than 12 months as at 1 April, 2019 as short-term leases.

(iv) Extension and Termination option:

Extension and Termination options are included in all the contracts of short term lease and both are exercisable at mutual consent of the Lessor and the Lessee.

Note 4:
Other intangible assets

Particulars	Software
Balance as at 1 April, 2018	**53.45**
Additions	0.19
Balance as at 31 March, 2019	**53.64**
Additions	18.47
Balance as at 31 March, 2020	**72.11**
Accumulated amortisation	
Opening 1 April, 2018	**27.77**
Charge for the year	11.01
Balance as at 31 March, 2019	**38.78**
Charge for the year	23.61
Accumulated amortisation as at 31 March, 2020	**62.39**
Net Carrying amount	
Balance as at 31 March, 2019	**14.86**
Balance as at 31 March, 2020	**9.72**

Note 5 :
Financial assets

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		As at 31 March, 2020	As at 31 March, 2019
5 (a)	**Investments**		
	Non-current investments		
	(i) Investments in government securities (unquoted)		
	National Savings Certificates*		
	*The National Saving Certificates have been given to the sales tax department, Rajasthan as security	0.30	0.30
	Total	**0.30**	**0.30**
	Current investments		
	Investment in mutual funds (unquoted)		
	Nil Units - : (31 March 2019: 185,336 units) in Reliance Ultra Short Duration Fund -Direct Growth Plan formerly known as Reliance Liquid Fund - Cash Plan-Direct Growth Plan	-	5,664.23
	NIL Units - :(31 March 2019: 4,640,759 units) in Aditya Birla Sun Life Liquid Fund -Daily Dividend Reinvestment -Direct-Plan formerly known as Aditya Birla Sun Life Cash plan-plan	-	4,651.96
	Total	**-**	**10,316.19**
5 (b)	**Trade Receivables**		
	Trade receivables	12,983.11	13,328.88
	Receivables from related parties (refer note 30)	1,884.91	2,558.21
	Less: Allowance for doubtful debts (refer note 24)	(227.04)	(144.04)
	Total	**14,640.98**	**15,743.05**
	Break-up of security details		
	Secured- considered good		
	Unsecured:	14,640.98	15,743.05
	Considered good	227.04	144.04
	Total Gross receivables	**14,868.02**	**15,887.09**
	Less: Allowance for doubtful debts (refer note 24)	(227.04)	(144.04)
	Total	**14,640.98**	**15,743.05**
5 (c)	**Loans**		
	(Unsecured, considered good)		
	Security Deposits	256.70	171.16
	Total	**256.70**	**171.16**
5 (d)	**Cash and cash equivalents**		
	Balances with banks		
	- in current accounts	218.72	522.29
	- deposits with original maturity of less than three months	11,240.49	1,650.00
	Cash on hand	3.22	2.99
	Total	**11,462.43**	**2,175.28**
	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	378.01	401.54
	Deposit account with Banks with maturity more the 3 months but less than 12 months	100.00	210.67
	Total	**478.01**	**612.21**
5 (f)	**Other Financial Assets**		
	Non-current		
	Deposit account with Bank (With original maturity of more than 12 months)	22.61	38.96
	Others	23.71	20.26
	Total	**46.32**	**59.22**
	Current		
	Interest accrued on deposits	72.74	31.59
	Loans and advances to employees	19.61	15.64
	Security Deposits	1.04	-
	Total	**93.39**	**47.23**
5 (g)	**Contract assets**		
	Unbilled revenue	1,628.94	1,134.22
	Total	**1,628.94**	**1,134.22**

(All amount in Rs. Lacs, unless otherwise stated)

Note 6:
Deferred tax assets/(liablities) (net)

Particulars	Depreciation	Defined Benefits Obligation	Others	Total
At 1 April, 2018	**(274.04)**	**134.23**	**286.99**	**147.18**
(Charged)/ Credited	-	-	-	-
- to profit and loss Account	(117.50)	0.77	(141.82)	(258.55)
- to other comprehensive income	-	10.48	-	10.48
At 1 April, 2019	**(391.54)**	**145.48**	**145.17**	**(100.89)**
- Deferred Tax Liability as on May 18, 2019 on acquisition of subsidiary	(86.07)	-	(3.56)	(89.63)
- to profit and loss Account	131.05	(7.06)	4.70	128.69
- to other comprehensive income	-	20.17	-	20.17
- MAT Credit entitlement adjustment	-	-	(11.27)	(11.27)
As at 31 March, 2020	**(346.56)**	**158.59**	**135.04**	**(52.93)**

Note 7:
Other Assets

Particulars	As at 31 March, 2020	As at 31 March, 2019
Unsecured , considered good unless otherwise stated		
Non Current		
Capital Advances	143.64	109.55
Prepaid expenses	6.08	3.74
Prepaid lease payment (Leasehold Land) (refer note 3(b))	-	341.52
Total	**149.72**	**454.81**
Current		
Prepaid lease payment (Leasehold Land) (refer note 3(b))	-	5.90
Prepaid lease payment (Leasehold Land) (refer note 3(b))	49.24	28.42
Prepaid expenses	49.87	825.52
Balance with government authorities	1,322.36	-
GST Input/ GST Inter Branch Transit	375.90	-
Advances to income tax {(Net of provision Rs. 18,706.36 Lacs, (31 March, 2019 Rs. Nil)}	192.53	652.25
Advances to creditors		
Export incentives receivable (government grant)*		
- Considered good	405.70	563.27
- Considered doubtful	19.04	20.98
	424.74	584.25
Less: Allowances for doubtful export incentives receivable	(19.04)	(20.98)
	405.70	563.27
Others	1.70	1.53
Total	**2,397.31**	**2,076.89**

Note 8:
Inventories

Raw materials {including goods in transit Rs. 453.16 lacs (31 March, 2019 Rs. 412.48 lacs)}	4,611.68	4,355.57
Work-in-progress	1,310.70	1,245.28
Finished goods	3,839.38	3,496.31
Traded goods {including goods in transit Rs.961.07 lacs (31 March, 2019 Rs. 232.17 lacs)}	2,259.46	1,878.02
Stores and spares {including goods in transit Rs. 2.54 lacs (31 March, 2019 Rs. 49.56lacs)}	1,077.66	768.90
Total	**13,098.88**	**11,744.08**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at 31 March, 2020	As at 31 March, 2019
Note 9(a):		
Equity Share Capital		
Equity share capital	**1,201.39**	**1,201.39**
Authorised		
120,500,000 equity shares (31 March, 2019 - 120,500,000) of Rs 1 each	1,205.00	1,205.00
Issued, subscribed and fully paid up share capital		
120,139,200 equity shares (31 March , 2019 - 120,139,200) of Rs 1 each (Fully paid up)	1,201.39	1,201.39

(i) Movement in equity share capital

Particulars	Number of shares	Closing balance
Balance as at 1 April, 2018	120,139,200	1,201.39
Changes during the year	-	-
Balance as at 31 March, 2019	120,139,200	1,201.39
Balance as at 1 April, 2019	120,139,200	1,201.39
Changes during the year	-	-
Balance as at 31 March, 2020	120,139,200	1,201.39

Terms and rights attached to equity shares

Equity share has a par value of Rs. 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

	Number of equity shares	
Dutch US Holding B.V., Netherlands	79,877,771	79,877,771

(iii) Details of shares held by each shareholder holding more than 5% shares

Dutch US Holding B.V., Netherlands	79,877,771	79,877,771
	Percentage of shares held	
Dutch US Holding B.V., Netherlands	66.49%	66.49%

Note 9(b):
Other equity

General reserves	8,338.46	8,337.56
Retained earnings	33,090.32	28,084.58
Total	**41,428.78**	**36,422.14**

(i) General reserve

Opening balance	8,337.56	8,337.56
Addition on May 18, 2019 on account of acquisition of subsidiary	0.90	-
Balance transferred from reserve during the year	-	-
Closing balance	**8,338.46**	**8,337.56**

(ii) Retained earnings

Opening balance	28,084.58	22,742.28
Net profit for the year	8,686.55	8,982.66
Remeasurements of post employment benefit obligation, net of tax	(59.96)	(19.51)
Dividend paid	(3,003.48)	(3,003.48)
Dividend distribution tax	(617.37)	(617.37)
Closing balance	**33,090.32**	**28,084.58**

(All amount in Rs. Lacs, unless otherwise stated)

Note 10:
Employee benefit obligation

Employee benefit obligation		As at 31 March, 2020	As at 31 March, 2019
		Current	
Leave obligations		459.92	409.31
Gratuity		170.15	7.01
	Total	**630.07**	**416.32**

(i) Leave obligations

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

The entire amount of provision of Rs. 459.92 Lacs (31 March 2019 - Rs.409.31 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 amount of accrued leaves or require payment for such leave within the next 12 months.

Leave obligation not expected to be settled within the next 12 months	**437.03**	**359.50**

(ii) Defined Contribution Plan:

The Group 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 Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards contribution to provident fund is Rs. 234.10 Lacs (31 March 2019 - Rs. 207.74 Lacs). The expense recognised during the year towards contribution to Employee State Insurance and National Pension Scheme is Rs 42.60 Lacs (31 March 2019 - 51.86 Lacs).

Contribution to provident and other funds:

Contribution to Employee state insurance	6.22	18.43
Contribution to Provident fund	234.10	207.74
Contribution to National Pension Scheme	36.38	33.43
	276.70	**259.60**

(iii) 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, 2020	As at 31 March, 2019
		Funded	
A.	**Changes in Defined Benefit Obligation**		
	Defined benefit obligation as at the beginning of the year	1,021.47	868.42
	Current service cost	84.59	68.67
	Interest cost	78.24	67.13
	Benefit paid	(135.96)	(16.48)
	Actuarial (Gain) / Loss	125.47	33.73
	Defined Benefit Obligation at end of year	**1,173.81**	**1,021.47**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Gratuity	
	As at 31 March, 2020	As at 31 March, 2019
	Funded	
Change in fair value of plan assets		
Fair value of plan assets at beginning of the year	1,014.46	837.47
Expected return on plan assets	77.71	64.73
Employer contributions	2.11	125.00
Benefit payments from plan assets	(135.96)	(16.48)
Actuarial Gain/(loss) on plan assets	45.34	3.74
Fair value of plan assets at end of year	**1,003.66**	**1,014.46**
Net defined Benefit Asset/(Liability)		
Present Value of obligation at the end	1,173.81	1,021.47
Fair Value of plan assets	1,003.66	1,014.46
Unfunded Liability/Provision in Balance Sheet	**170.15**	**7.01**
Total expense recognised in the statement of profit and loss		
Current service cost	84.59	68.67
Interest cost	78.24	67.13
Interest income	(77.71)	(64.73)
Total Expense recognised under employee benefit expense (refer note 19)	**85.12**	**71.07**
Total expense recognised in OCI		
Actuarial (Gain) / Loss on defined benefit obligation arising from change in demographic assumption	5.40	4.72
Actuarial (Gain) / Loss on defined benefit obligation arising from change in financial assumption	120.07	29.01
Actuarial (Gain) / Loss of Plan assets	(45.34)	(3.74)
Unrecognised actuarial (gain)/loss at the end of year	**80.13**	**29.99**

(B) Actuarial Assumptions:

i) Discounting Rate	6.76%	7.66%
ii) Future salary Increase	8.00%	8.00%
iii) Retirement Age (Years)	60	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 actuarial advice in accordance with published statistics and experience.

(C) Expected contribution for the next one year

(i) Service cost	96.63	73.21
(ii) Net Interest cost	11.50	0.54
(iii) Expected contribution for the next one year	**108.13**	**73.75**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	As at 31 March, 2020	As at 31 March, 2019
(D) Maturity profile of Defined Benefit Obligation		
(i) 0 to 1 Year	54.26	160.14
(ii) 1 to 2 Year	44.92	13.91
(iii) 2 to 3 Year	48.01	14.44
(iv) 3 to 4 Year	57.46	14.47
(v) 4 to 5 Year	73.60	34.66
(vi) 5 to 6 Year	138.94	13.86
(vii) 6 Year onwards	756.62	769.99
Total	**1,173.81**	**1,021.47**
(E) Sensitivity analysis on defined benefit obligation		
Discount rate		
a. Discount rate - 0.5% - the liability to increase by	51.47	35.10
b. Discount rate + 0.5% - the liability to decrease by	(48.14)	(33.32)
Salary increase rate		
a. Rate - 0.5% - the liability to decrease by	(47.82)	(33.37)
b. Rate + 0.5% - the liability to increase by	50.62	34.83

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.

(F) 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.

(G) 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.

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		As at 31 March, 2020	As at 31 March, 2019
Note 11:			
Other non current liabilities			
Deposit from employees		73.41	70.06
	Total	**73.41**	**70.06**
Note 12:			
12(a) Trade payable			
Current			
Total outstanding dues of micro enterprises and small enterprises (refer note 31)		433.44	455.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		12,147.58	10,694.03
	Total	**12,581.02**	**11,149.11**
12(b) Other current financial liabilities			
Unpaid dividend		378.01	401.54
Employee benefits payable		647.54	612.53
Payables on purchase of fixed assets		525.88	81.83
Accrued Expenses		3.43	-
	Total	**1,554.86**	**1,095.90**
Note 13:			
Provisions			
Provision for income tax {(Net of advance tax 31 March 2020 Rs. Nil (31 March 2019 Rs. 15,601.06 Lacs)}		-	34.07
	Total	**-**	**34.07**
Note 14(a):			
Other Current Liabilities			
Statutory dues (Contribution to Provident Fund and Employee State Insurance, Goods and Services Tax etc)		236.12	237.88
Deposits from employees		8.85	20.01
	Total	**244.97**	**257.89**
Note 14(b):			
Contract Liabilities			
Advances from customers		182.23	59.46
	Total	**182.23**	**59.46**

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Note 15:			
Revenue from operations (refer note 32)			
Revenue from contracts with customers			
-Sales of products			
(i) Finished goods		43,794.15	46,612.91
(ii) Traded goods		4,643.22	5,402.79
- Total Refractories Management Services #		20,600.40	21,585.83
- Sale of services		382.27	503.61
		69,420.04	**74,105.14**
Other operating revenues(Government grant - export incentives)		548.78	689.56
	Total	**69,968.82**	**74,794.70**

Including Sales of Finished Goods Rs. 7,212.17 lacs & Sales of Traded Goods Rs. 10,368.25 lacs (31 March, 2019 Sales of Finished Goods Rs. 9,239.99 lacs & Sales of Traded Goods Rs. 11,498.13 lacs).

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Note 16:			
Other income			
Interest income on financial assets on amortised cost:			
- on bank deposits		400.27	242.28
- on others		44.90	62.52
Net gain on financial assets (open ended mutual fund scheme) measured at fair value through profit or loss		-	176.19
Net gain on disposal of financial assets (open ended mutual fund scheme)		129.17	439.15
Net foreign exchange differences		32.34	169.22
Liabilities/ provisions no longer required written back		23.73	53.12
Allowances for doubtful trade receivable no longer required written back		-	635.10
Allowances for doubtful export incentive receivable no longer required written back		1.94	6.41
Dividend Income		1.74	-
Profit on sale of fixed assets		1.59	-
Miscellaneous income		25.15	33.30
	Total	**660.83**	**1,817.29**
Note 17(a)			
Cost of raw materials and components consumed			
Opening stock		4,355.57	3,757.66
Add: Purchases		29,071.42	32,118.11
		33,426.99	35,875.77
Less: Closing stock		4,611.68	4,355.57
	Total	**28,815.31**	**31,520.20**
Note 17(b)			
Purchases of stock-in-trade (traded goods)			
Spray/Ramming mass		5,171.09	6,162.27
Other items		8,108.27	8,843.44
	Total	**13,279.36**	**15,005.71**
Note 18:			
Change in inventories of finished goods, work in-progress and traded goods			
Inventories at the end of the year			
Work in progress		1,310.70	1,245.28
Finished goods		3,839.38	3,496.31
Traded goods		2,259.46	1,878.02
		7,409.54	**6,619.61**
Inventories at the beginning of the year			
Work in progress		1,245.28	1,059.19
Finished goods		3,496.31	2,542.43
Traded goods		1,878.02	953.93
		6,619.61	**4,555.55**
	Total	**(789.93)**	**(2,064.06)**
Note 19:			
Employee benefits expenses			
Salaries, wages and bonus		5,171.24	4,892.08
Contribution to provident fund & others (refer note 10)		276.70	259.60
Gratuity (refer note 10)		85.12	71.07
Leave obligation		80.28	58.07
Staff welfare expenses		194.75	162.24
	Total	**5,808.09**	**5,443.06**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Note 20:			
Other expenses			
Consumption of stores and spare parts		1,485.86	1,733.52
Consumption of packing materials		1,190.20	1,313.73
Power and fuel		2,678.01	2,873.40
Processing charges		1,281.77	1,300.40
Rent {refer note 3(b) & 28(b)}		51.92	37.98
Repairs and maintenance			
- Plant and machinery		297.99	318.02
- Buildings		40.33	79.17
- Others		6.72	1.85
Insurance		58.17	45.57
Rates and taxes		32.17	24.88
Communication costs		37.80	40.13
Travelling and conveyance		199.50	222.40
Printing and stationery		44.58	33.14
Freight and forwarding		1,978.44	2,376.61
Commission on sales (Other than sole selling agents)		221.41	770.01
Advertising and other expenses		52.97	81.77
Donation		2.27	3.72
Expenditure on corporate social responsibility (refer note 21)		169.25	158.55
Legal and professional fees {refer note 20(a)}		315.31	407.10
Royalty		43.13	72.24
Directors sitting fees		13.75	8.00
Bad debts written off		102.31	-
Allowance for doubtful debts - trade receivables		79.75	-
Loss on fixed assets sold/ scrapped		-	1.88
Amortization of Prepaid Lease Rent		-	5.90
Bank Charges		82.98	115.68
Miscellaneous expenses		207.82	66.07
	Total	**10,674.41**	**12,091.72**

Note 20(a):			
Legal & professional include Payment to Auditors as under: -			
Payment to auditor (excluding GST) comprise			
(a) To statutory auditor			
- for audit		63.60	51.54
- for limited review		13.30	12.70
- for certification		-	5.50
- reimbursement of expenses		2.89	1.27
(b) To cost auditor for cost audit		0.50	0.50
	Total	**80.29**	**71.51**

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		251.97	217.07
b) Amount spent during the year on:			
i) Construction/ acquisition of any asset		-	-
ii) On purposes other than (i) above		169.25	158.55
	Total	**169.25**	**158.55**

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Note 22:		
Income Tax Expense		
(a) Income Tax Expense		
Current Tax	3,071.23	4,490.89
Current tax on profits for the year	14.25	20.14
Adjustments for current tax of prior periods	3,085.48	4,511.03
Total Current Tax Expense		
Deferred Tax		
Deferred Tax Expense/(Benefit)	(39.06)	258.55
Income Tax Expense	**3,046.42**	**4,769.58**
(b) Reconciliation of tax expense and accounting profit multiplied by tax rate		
Profit before income tax expense	11,732.97	13,752.24
Tax at the Indian tax rate of 25.17% (Previous year : 34.944 %)	2,953.19	4,805.58
Adjustments for Prior Year	14.25	20.14
Corporate social responsibility expenditure	42.60	24.65
Dividend Income	(32.91)	(73.98)
Deferred Tax Liability as on May 18, 2019 on acquisition of subsidiary	89.63	-
Other	(20.34)	(6.81)
Income tax expense	**3,046.42**	**4,769.58**

Note 23:
Fair Value measurement
Financial instruments by category:

	As at 31 March, 2020		As at 31 March, 2019	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Non-current				
Investments		0.30		0.30
Loans		256.70		171.16
Other financial assets		46.32		59.22
Current				
Trade receivables		14,640.98		15,743.05
Investment in mutual funds	-		10,316.19	
Cash and bank balances				
- in current accounts		218.72		522.29
- deposits with original maturity of less than three months		11,240.49		1,650.00
Cash on hand		3.22		2.99
Bank balances other than above		478.01		612.21
Other financial assets		93.39		47.23
Total Financial Assets	**-**	**26,978.13**	**10,316.19**	**18,808.45**
Trade payables	-	12,581.02	-	11,149.11
Other financial liabilities	-	1,554.86	-	1,095.90
Total Financial Liabilities	**-**	**14,135.88**	**-**	**12,245.01**

The fair value of deposits with open ended mutual fund schemes have been 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 schemes, closely approximates the fair value.

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(All amount in Rs. Lacs, unless otherwise stated)

Note 24:
Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk.

The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group, 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.

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 Group 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 Group is credit control department.

To address the risk of any potential non recovery from trade receivables, the Group has the practise 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

Category	As at 31 March 2020	As at 31 March 2019
Not Due	10,377.33	11,993.72
0 - 30	2,668.85	1,809.02
31-60 days	767.89	715.41
61-90 days	215.99	583.03
91-180 days	429.23	602.19
181-240 days	118.45	92.95
More than 240	290.28	90.77
Total	**14,868.02**	**15,887.09**

(All amount in Rs. Lacs, unless otherwise stated)

Loss allowance provision- trade receivable

Particulars	Amount
Loss allowance as on 1 April, 2018	**779.14**
Changes in loss allowance (refer note 16)	(635.10)
Loss allowance as on 1 April, 2019	**144.04**
Addition May, 18, 2019 (on account of acquisition of the subsidiary)	3.25
Changes in loss allowance (refer note 20)	79.75
Loss allowance as on 31 March, 2020	**227.04**

B. Liquidity Risk

Liquidity risk is the risk that the Group will not be able to settle or meet its obligations on time. The Group'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 Group believes 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, 2020					
Trade Payables	10,319.16	2,133.09	128.77	-	**12,581.02**
Employee Benefits payable	324.95	322.59	-	-	**647.54**
Unpaid dividend	-	-	378.01	-	**378.01**
Other financial liabilities	205.18	324.13	-	-	**529.31**
31 March,2019					
Trade Payables	10,855.26	90.66	203.19	-	**11,149.11**
Employee Benefits payable	313.57	298.96	-	-	**612.53**
Unpaid dividend	-	-	401.54	-	**401.54**
Other financial liabilities	81.83	-	-	-	**81.83**

C. Market Risk

Foreign currency risk: The Group 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 Group manages the exposure through natural hedging, by maintaining appropriate balances of receivables and payables within same currency. The Group 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 Group 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 2020				As at 31 March 2019			
	USD	EURO	NU*	CHF	USD	EURO	GBP	NU*
Trade Payables	3,085.25	31.13	4.37	422.17	2,400.24	30.30	4.80	6.95
Net exposure to foreign currency risk (liabilities)	**3,085.25**	**31.13**	**4.37**	**422.17**	**2,400.24**	**30.30**	**4.80**	**6.95**
Trade Receivables	1,208.46	839.50	-	-	1,867.69	788.12	-	-
Net exposure to foreign currency risk (Assets)	**1,208.46**	**839.50**	**-**	**-**	**1,867.69**	**788.12**	**-**	**-**

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

(All amount in Rs. Lacs, unless otherwise stated)

Sensitivity to risk

Particulars	Impact of profit - (Increase)/ decrease	
	As at 31 March 2020	As at 31 March 2019
USD Sensitivity		
INR/USD - Increase by 5% (31 March, 2019 - 5%)	(93.84)	(26.63)
INR/USD - Decrease by 5% (31 March, 2019 - 5%)	93.84	26.63
Euro Sensitivity		
INR/EURO - Increase by 5% (31 March, 2019 - 5%)	40.42	37.89
INR/EURO - Decrease by 5% (31 March, 2019 - 5%)	(40.42)	(37.89)
CHF Sensitivity		
INR/CHF - Increase by 5% (31 March, 2019 - 5%)	(21.11)	-
INR/CHF - Decrease by 5% (31 March, 2019 - 5%)	21.11	-

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, 2020	Year ended 31 March, 2019
(i) Equity shares		
Final Dividend for the year 31-Mar-2019 of Rs. 2.50 (31 Mar-2018 - Rs. 2.50) per fully paid share	3,003.48	3,003.48
Dividend distribution tax on final dividend	617.37	617.37
(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 (March 31, 2019 of Rs.2.50), in its meeting held on June 29, 2020. 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	-	617.37

Note 26:
Segment Information

The Group 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 Group 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 Group has assessed that they carry same risk and rewards. The Group 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

(All amount in Rs. Lacs, unless otherwise stated)

Secondary Segment Reporting (by Geographical Segments)

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

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Within India		57,587.41	59,352.45
Outside India		12,381.41	15,442.25
	Total	**69,968.82**	**74,794.70**

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

Particulars		As at 31 March, 2020	As at 31 March, 2019
Within India		12,593.02	12,726.21
Outside India		2,047.96	3,016.84
	Total	**14,640.98**	**15,743.05**

All other assets (other than trade receivables) used in the Group'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 assets has not been disclosed.

Note 27:
Contingent Liabilities
Claims against the Company not acknowledged as debts

Particulars		Year ended 31 March, 2020	Year ended 31 March, 2019
Demand from excise and service tax authorities		202.54	114.55
	Total	**202.54**	**114.55**

Notes:

(i) No provision is considered necessary since the Group expects favourable decisions.

(ii) Paid under protest of Rs.5.85 Lacs (31 March, 2019, Rs. 3.09 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 Group or the claimants as the case may be and therefore cannot be predicted accurately. The Group 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 Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

Note 28(a):
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, 2020	As at 31 March, 2019
Tangible Assets	461.26	532.73

(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 for which there were any material foreseeable losses. The Company did not have any long-term derivative contracts as at 31 March, 2020.

(All amount in Rs. Lacs, unless otherwise stated)

Note 28 (b):
Operating lease

The Company's cancellable operating lease arrangement mainly consists of offices, guest house and warehouses for period of less than 11 months. 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 ended 31 March, 2019 was Rs. 37.98 lacs. The Company has adopted Ind As 116 during the year. Refer note 3(b) for the detailed disclosures.

Note 29:
Earning per share

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
(a) Basic earnings per share (Rs.)	7.23	7.48
(b) Diluted earning per share (Rs.)	7.23	7.48
(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.	8,686.55	8,982.66
Weighted average number of equity shares used as the denominator.	120,139,200	120,139,200

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, 2020	As at 31 March, 2019
RHI Magnesita N.V.	Ultimate holding company	Austria	-	-
Dutch US Holding B.V.	Holding company	Netherlands	66.49%	66.49%

(b) Key managerial personnel (KMP)

Mr. Parmod Sagar, Managing Director & CEO
Mr. Sanjeev Bhardwaj, Chief Financial Officer

(c) List of related parties

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

RHI Feuerfest Gmbh
RHI India Private Limited
RHI Clasil Private Limited
Refractory Intellectual Property GmbH & Co KG
Magnesita Mineracao S.A.
RHI Refractories Asia Pacific Pte Ltd
Stopinc Aktiengesellschaft
RHI Magnesita GmbH
RHI Urmitz AG & Co KG

ii) Subsidiary
Intermetal Engineers (India) Private Limited (with effect from May 18, 2019)

iii) Relative of KMP
Mr. Christophar Parvesh

(All amount in Rs. Lacs, unless otherwise stated)

(d) Related Party Transactions

Particulars	Relationship	Year ended 31 March, 2020	Year ended 31 March, 2019
Dutch US Holding B.V.	Holding Company		
Dividend paid		2,090.94	2,090.94
Sales:			
RHI India Private Limited	Fellow Subsidiary	4,575.28	1,441.00
RHI Clasil Private Limited	Fellow Subsidiary	68.52	432.46
RHI Feuerfest Gmbh	Fellow Subsidiary	-	5,556.41
RHI Magnesita GmbH	Fellow Subsidiary	9,283.15	3,710.73
RHI Urmitz AG & Co KG	Fellow Subsidiary	184.64	-
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	189.18	540.49
Purchase			
Stopinc Aktiengesellschaft	Fellow Subsidiary	962.51	189.36
RHI Clasil Private Limited	Fellow Subsidiary	594.09	234.49
RHI India Private Limited	Fellow Subsidiary	374.71	206.13
RHI Feuerfest Gmbh	Fellow Subsidiary	-	3,290.53
Magnesita Mineracao S.A.	Fellow Subsidiary	37.60	-
RHI Magnesita GmbH	Fellow Subsidiary	3,205.65	1,721.18
Managerial remuneration			
Mr. Parmod Sagar	KMP	278.61	276.20
Mr. Sanjeev Bhardwaj	KMP	106.82	97.92
Salary			
Mr. Christophar Parvesh	Relative of KMP	8.95	7.85
Royalty			
Refractory Intellectual Property GmbH & Co KG	Fellow Subsidiary	-	48.32
Expenses reimbursement {Received/(Paid)}			
RHI Clasil Private Limited	Fellow Subsidiary	1.56	6.49
RHI India Private Limited	Fellow Subsidiary	26.61	141.07
RHI Feuerfest Gmbh	Fellow Subsidiary	-	42.43
RHI Magnesita GmbH	Fellow Subsidiary	41.30	62.82
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	-	29.14

(All amount in Rs. Lacs, unless otherwise stated)

(e) Outstanding balances

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

Particulars		As at 31 March, 2020	As at 31 March, 2019
Trade Payables:			
RHI India Private Limited	Fellow Subsidiary	26.33	14.19
Refractory Intellectual Property GmbH & Co KG	Fellow Subsidiary	46.97	85.88
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	123.32	199.01
RHI Clasil Private Limited	Fellow Subsidiary	245.44	-
Stopinc Aktiengesellschaft	Fellow Subsidiary	422.17	-
Magnesita Mineracao S.A.	Fellow Subsidiary	12.87	-
RHI Magnesita GmbH	Fellow Subsidiary	1,828.41	1,321.00
Total Trade Payable to related parties		**2,705.51**	**1,620.08**
Trade Receivable:			
RHI India Private Limited	Fellow Subsidiary	1,003.29	434.30
RHI Clasil Private Limited	Fellow Subsidiary	10.65	52.42
RHI Refractories Asia Pacific Pte Ltd	Fellow Subsidiary	85.27	237.49
RHI Urmitz AG & Co KG	Fellow Subsidiary	1.25	-
RHI Magnesita GmbH	Fellow Subsidiary	784.45	1,834.00
Total Trade receivables from related parties		**1,884.91**	**2,558.21**

Note 31:
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	433.44	455.08
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.07	0.13
(iii) Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year.	751.44	30.00
(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	2.07	0.13
(vii) Further Interest remaining due and payable for earlier years	0.35	0.22

(All amount in Rs. Lacs, unless otherwise stated)

Note 32:

Revenue from Contracts with Customers

Revenue from contracts with customers (refer note 15)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
The Group has recognised the following amounts relating to revenue in the statement of profit and loss:		
Sale of products		
(i) Finished goods	43,794.15	46,612.91
(ii) Traded goods	4,643.22	5,402.79
Total Refractories Management Services #	20,600.40	21,585.83
Sale of services	382.28	503.61
Revenue from contracts with customers	**69,420.04**	**74,105.14**
Other operating revenues (Government grant - export incentives)	548.78	689.56
Total Revenue	**69,968.82**	**74,794.70**

Including Sales of Finished Goods Rs. 7212.17 Lacs & Sales of Traded Goods Rs. 10368.25 Lacs (31 March, 2019 Sales of Finished Goods Rs. 9239.99 Lacs & Sales of Traded Goods Rs. 11498.13 Lacs).

Disaggregation of Revenue

In the following tables, revenue is disaggregated by product group and by geography. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer note 26). The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Disaggregation of Revenue by Geography		
Within India	57,587.41	59,352.45
Outside India	12,381.41	15,442.25
Total Revenue	**69,968.82**	**74,794.70**

Timing of Revenue Recognition

“Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract.

Revenue from contracts for total refractory management services, revenue is recognized over time on the basis using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from providing services is recognized in the accounting period in which the services ae rendered..

Performance obligations

Revenue from the sale of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual terms agreed in the customer contract. Control is defined as the ability to direct the use and obtain substantially all the economic benefits from an asset. For the terms CIF (Cost, Insurance and Freight), transport service gives rise to a separate performance obligation to which a part of revenue has to be allocated, as this service is performed after the control of the product is transferred to the customer.

For Refractory Management services where the transaction price depends on the customer’s production tonnage the management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Company, which includes supply of refractory material and its related services to produce steel. Thus, only one single performance obligation, the performance of refractory management services, exists. With regard to these contracts, revenue is recognised over time using the output-oriented method (e.g. quantity of steel produced by the customer).

Revenue from services is recognised over time, using an input method to measure progress towards completion of service, because the customer simultaneously receives and consumes the benefits provided by the Group.

Transaction price allocated to the remaining performance obligations

“Transaction price is the expected consideration to be received in exchange for transferring goods or services, to the extent that it is highly probable that there will not be a significant reversal of revenue. For Refractory Management Contracts, transaction price depends on the customer’s production performance.

The Group has applied practical expedient in Ind AS 115. Accordingly it has not disclosed information about remaining performance obligations wherein the Group has a right to consideration from customer in an amount that directly corresponds with the value to the customer of entity’s performance till date using the output method and for the other contracts which have original expected durations of one year or less.

(All amount in Rs. Lacs, unless otherwise stated)

Particulars	Year ended 31 March, 2020	Year ended 31 March, 2019
Reconciliation of revenue recognised with contract price		
Contract price	69,449.65	74,239.53
Adjustments for:		
Claims & Rebates	(84.89)	(208.86)
Performance Bonus	55.30	74.47
Revenue from contracts with customers	**69,420.04**	**74,105.14**

Trade Receivables and Contract Balances

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as Contract Asset.

A receivable is a right to consideration that is unconditional upon passage of time.

Contract assets consist of unbilled revenue which arises when the Group satisfies the performance obligation in the Refractory Management Services contracts but does not have an unconditional right to consideration as it is dependent on the certification of the report on the quantity of steel produced. Contract asset usually gets convert to Trade Receivables within a time period of 30 days.

Contract liabilities consists of advances from customers. Contract liabilities are presented in note 14(b)

Trade receivables are presented net off impairment loss in note 5(b).

Revenue recognised that was included in the contract liability balance at the beginning of the year		
Revenue from contract with customers	59.46	770.82
Total	**59.46**	**770.82**
Movement in Contract Assets		
Opening balance as on April 1, 2019	1,134.22	370.47
Add: Revenue recognized during the year	69,420.04	74,105.14
Less: Invoiced during the year	(68,925.33)	(73,341.39)
Less: Impairment/(reversal) during the year	-	-
Closing balance as on March 31, 2020	**1,628.94**	**1,134.22**
Movement in Contract Liabilities		
Opening balance as on April 1, 2019	59.46	770.82
Opening balance as on May 18, 2019 (on account of acquisition of the subsidiary)	17.99	
Add: Collection during the year	1,957.65	1,938.16
Less: Gross Sales	(1,852.87)	(2,649.52)
Closing balance as on March 31, 2020	**182.23**	**59.46**

The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the right become unconditional. The contract liabilities primarily relate to the advance consideration received from customers.

Significant judgements in the application of the Standard

For Refractory Management Contracts where the transaction price depends on the customer's production performance, the management has determined that both supply of goods and services are not distinct as the customer expects total refractory management services from the Component, which includes supply of refractory material and its related services to produce steel. The customer expects complete refractory management for the agreed product areas in the steep plant in order to enable steel production. Thus, only one single performance obligation, performance of refractory management service, exists.

Note 33:
Merger

On 31 July, 2018 the Board of Directors of the Company, RHI India Private Limited (the 'RHI India') and RHI Clasil Private Limited (the 'RHI Clasil') (together, the Merging Entities) had granted its in-principle approval to the scheme of amalgamation of RHI India and RHI Clasil with and into the Company with the proposed appointed date of 1 January, 2019 ('the Scheme'). Meeting of the equity shareholders and the unsecured creditors of Orient Refractories Limited and the merging entities was held on 17 May, 2019 pursuant to an order of the Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT) dated 29 March, 2019 wherein they had approved the Scheme without modification. NCLT, Mumbai Bench has rejected the Scheme of amalgamation vide its order dated 2 March, 2020. The Company is in the process of filing the appeal with National Company Law Appellate Tribunal against this order. The consolidated financial statements have been prepared without considering the impact, if any of the proposed merger.

(All amount in Rs. Lacs, unless otherwise stated)

Note 34:
Acquisition of Subsidiary

The Board of Directors on 30 April, 2019 approved the acquisition of the entire paid-up equity share capital of "Intermetal Engineers India Private Limited" (the 'IEIPL') a company comprising of 1,597 equity shares of Rs.100/- each to make it a wholly owned subsidiary of the Company. The process of acquisition of IEIPL was completed on 18 May, 2019. The Company has paid consideration of Rs. 1,012.52 Lacs for the acquisition of IEIPL.

Note 35:
Acquisition of group of assets

During the year ended 31 March, 2020, the Company has completed the acquisition of group of assets from Manishri Refractories and Ceramics Private Limited, for a total consideration of Rs. 4,376 lacs. The group of assets include Land, Building and Plant and Machinery. The acquisition of assets has been appropriately recorded as per the requirements of Ind AS 16 and the valuation of Land and Building has been determined based on valuation done by an independent valuer.

Note 36:
Impact of Change in Income Tax rate

On 20 September, 2019, the Government of India vide the Taxation Laws (Amendment) Ordinance 2019, inserted Section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay Income tax at reduced rate effective 1 April, 2019 subject to certain conditions. The tax expenses for the year ended 31 March, 2020 have been provided for at a reduced tax rate and accordingly, tax expense for the year ended 31 March, 2020 is lower and profit after tax is higher by Rs. 1,182.15 lacs.

Note 37:
Assessment of impact of Covid-19

The announcement of lockdown restrictions by the Government of India with effect from 24 March, 2020 led to shutting down of operations at most of the Group's locations including plant at Bhiwadi, Rajasthan and some of its operations at its subsidiary and at the customer sites. Cuttack plant continued without any significant disruptions. The operations in these businesses have restarted in a phased manner from 20 April, 2020. The capacity utilization is going up continuously in accordance with the demand. The Group has considered the possible impact of internal and external factors known to the management upto the date of approval of these consolidated financial statement, to assess and finalise the carrying amount of its assets and liabilities. Based on its assessment, management believes that no adjustments are required in these consolidated financial statements. However, in view of the various preventive measures taken (such as lockdown, travel restriction, etc) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods in highly dependent upon circumstances as they evolve.

Note 38:

Additional information to the consolidated financial statements as at 31 March, 2020 (Pursuant to Schedule III of the Companies Act, 2013)

Name of the Entity	Net Assets i.e., total assets minus total liabilities as at March 31, 2020		Share in Profit for the year ended March 31, 2020		Share in Other Comprehensive Income (OCI) for the year ended March 31, 2020		Share in Total Comprehensive Income for the year ended March 31, 2020	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Orient Refractories Limited	97.70%	41,649.40	99.42%	8,635.84	100%	(59.96)	99.41%	8,575.88
Intermetal Engineers India Private Limited	2.30%	980.77	0.58%	50.71	0%	-	0.59%	50.71
Total	**100%**	**42,630.17**	**100%**	**8,686.55**	**100%**	**(59.96)**	**100%**	**8,626.59**

Name of the Entity	Net Assets i.e., total assets minus total liabilities as at March 31, 2020		Share in Profit for the year ended March 31, 2020		Share in Other Comprehensive Income (OCI) for the year ended March 31, 2020		Share in Total Comprehensive Income for the year ended March 31, 2020	
	As a % of consolidated net assets	Amount	As a % of consolidated net profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Orient Refractories Limited	100.00%	37,623.53	100.00%	8,982.66	100%	(19.51)	100.00%	8,963.15
Total	**100%**	**37,623.53**	**100%**	**8,982.66**	**100%**	**(19.51)**	**100%**	**8,963.15**

The consolidated financial statements have been prepared for the first time during the year ended March 31, 2020 on acquisition of the subsidiary referred to above on May 18, 2019. The previous year's figures are of the Company and accordingly are not comparable.

Note 39:
Previous year's figures

The consolidated financial statements have been prepared for the first time during the year ended March 31, 2020 on acquisition of the subsidiary referred to above on May 18, 2019. The previous year's figures are of the Company and accordingly are not comparable. Previous year's figures have also been regrouped / recasted, wherever necessary, to conform to the current year's presentation.

Note 40:
Previous year's figures

The consolidated financial statements have been prepared for the first time during the year ended March 31, 2020 on acquisition of the subsidiary referred to above on May 18, 2019. The previous year's figures are of the Company and accordingly are not comparable. Previous year's figures have also been regrouped / recasted, wherever necessary, to conform to the current year's presentation.

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

Abhishek Rara
Partner
Membership Number: 077779

Place : Gurugram
Date : 29 June, 2020

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
Joint Vice President (F&A)

Sanjay Kumar
Company Secretary
(ACS-17021)

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
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, MAHARASHTRA-400086

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
C-604, Neelkanth Business Park,
Opp. Railway Station, Vidhyavihar (West),
Mumbai, MAHARASHTRA-400086

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

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

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