

ORIENT REFRACTORIES LTD.

(AN RHI MAGNESITA COMPANY)



July 31, 2018

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001, India.

National Stock Exchange of India Limited
Exchange Plaza, Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051, India.

SCRIPT CODE: 534076

SCRIPT SYMBOL: ORIENTREF

Dear Sir/ Madam,

Total number of pages including covering letter: 33

Sub: Outcome of the Meeting of the Board of Directors of Orient Refractories Limited (the "Company" or "Orient Refractories") - Under Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LoDR Regulations").

We refer to our letter dated July 5, 2018, intimating you of the convening of the meeting of the Board of Directors of our Company. In this regard, we wish to inform that the Board of Directors of our Company met today and approved the following:

1. Unaudited financial result of the Company for the quarter ended 30 June 2018. **Annexure-A**
2. Limited review report of M/s. Price Water House, Chartered Accountants, LLP, Statutory Auditors on the financial result of the Company for the quarter ended 30 June 2018. **Annexure-B**
3. Pursuant to Regulation 47 of the SEBI LoDR Regulations and SEBI circulars, we would be publishing an extract of the financial result in the prescribed format in English and Hindi newspapers within stipulated time. **Annexure-C**

The detailed financial result of the company would be available on the web site of the Company www.orientrefractories.com as well on the websites of the Stock Exchanges.

4. **MERGER WITH AND INTO THE COMPANY** **Annexure-D**
The Board accorded its in-principle approval to the scheme of amalgamation of RHI India Private Limited ("RHI India") and RHI Clasil Private Limited ("RHI Clasil") with and into the Company subject to receipt of the necessary approvals of shareholders, creditors, Securities and Exchange Board of India, stock exchanges, National Company Law Tribunal ("NCLT") and other governmental authorities and third parties, as may be required ("Scheme"). **Annexure-E**
Annexure-F

Further, based on the valuation reports prepared by Jain, Jindal & Co., the fairness opinion provided, by Keynote Corporate Services Limited and the report of the audit committee recommending the draft scheme of amalgamation, the board of directors has approved the share exchange ratio i.e. issue of 7,044 equity shares of face value of INR 1 each of the Company for every 100 equity shares of face value of INR 10 each of RHI India, and issue of 908 equity shares of face value of INR 1 each of the Company for every 1000 equity shares of face value of INR 10 each of RHI Clasil.

Works :

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Bhiwadi - 301019
Dist. Alwar, Rajasthan, India
Phone : +91-1493-222266, 67, 68
Fax : +91-1493-222269
Email : bhiwadi@orlindia.com

Registered Office :

804-A, Chiranjiv Tower,
43 Nehru Place, New Delhi-110019, India
Phone : +91-11-41518482
Web. : www.orientrefractories.com
E-mail : ho@orlindia.com
CIN No.: L28113DL2010PLC210819



Upon amalgamation of RHI India and RHI Clasil with and into the Company, the entire businesses of RHI India and RHI Clasil will vest in the Company.

This transaction constitutes a related party transaction as all the three companies are part of the RHI Magnesita N.V. group of companies.

Please find enclosed **Annexure D** containing additional details required as per Regulation 30 of the SEBI LoDR Regulations.

Additionally, also attached is the press release issued by the Company (**Annexure-E**) and a presentation in relation to the proposed Scheme (**Annexure-F**).

5. Appointment of Concept Public Relations India Limited as an advertisement agency for dissemination of information in relation to the proposed Scheme. **Annexure-G**

We further inform that the meeting of the Board of Directors of the Company commenced at 3:30 p.m. and concluded at 6:00 p.m.

You are kindly requested to take the same on record.

Thanking you,

Yours faithfully

For **Orient Refractories Limited**



Sanjay Kumar
Company Secretary
(ACS-17021)

Enclosed as above.



ORIENT REFRACTORIES LIMITED

(an RHI Magnesita Company)

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

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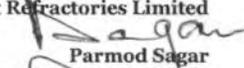
Unaudited Financial Results for the Quarter ended 30 June, 2018

(Rs. in Lacs)

Particulars	Quarter ended 30 June, 2018	Quarter ended 31 March, 2018	Quarter ended 30 June, 2017	Year ended 31 March, 2018
Income	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Revenue from operations	17,409.35	17,885.75	15,050.21	63,559.30
2 Other income	651.90	293.87	249.38	1,062.23
3 Total revenue (1+2)	18,061.25	18,179.62	15,299.59	64,621.53
Expenses				
a) Cost of raw materials and components consumed	7,236.69	6,854.27	5,374.86	24,136.77
b) Purchase of stock-in-trade (traded goods)	3,023.85	2,982.14	2,560.34	10,329.48
c) Change in inventories of finished goods, work in-progress and stock-in-trade	(1.87)	(23.41)	130.24	240.26
d) Excise duty	-	-	880.53	880.53
e) Employee benefits expenses	1,339.20	1,189.82	1,219.50	4,727.10
f) Depreciation and amortisation expense	197.69	170.41	163.62	682.69
g) Other expenses	2,958.26	2,792.48	2,501.77	10,540.17
Total expenses (a to g)	14,753.82	13,965.71	12,830.86	51,537.00
5 Profit before tax (3-4)	3,307.43	4,213.91	2,468.73	13,084.53
6 Tax expense / (benefit):				
a) Current tax expense	1,005.84	1,424.30	908.83	4,608.54
b) Deferred tax charge/ (credit)	110.78	43.98	(70.54)	(102.12)
c) Tax related to previous year	-	-	-	(5.21)
Net tax expense	1,116.62	1,468.28	838.29	4,501.21
7 Profit after tax (5-6) (A)	2,190.81	2,745.63	1,630.44	8,583.32
8 Other comprehensive income				
Items that will not be reclassified to profit or loss				
(i) Remeasurement of the defined benefit plan	(6.18)	17.07	(65.06)	(22.06)
(ii) Income tax relating to items that will not be reclassified to profit or loss	2.14	(5.91)	22.52	7.63
Other comprehensive income for the year, net of tax (B)	(4.04)	11.16	(42.54)	(14.43)
9 Total comprehensive income for the year (A+B)	2,186.77	2,756.79	1,587.90	8,568.89
10 Paid up equity share capital (Face Value of Re. 1 per	1,201.39	1,201.39	1,201.39	1,201.39
11 Earnings per equity share (of Re. 1 each):				
a) Basic (in Rs.)	1.82	2.29	1.36	7.14
b) Diluted (in Rs.)	1.82	2.29	1.36	7.14

Place : Gurugram
Date : 31 July, 2018

For Orient Refractories Limited


Parmod Sagar
 Managing Director & CEO
 (DIN-06500871)


Notes to unaudited financial results:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 31 July, 2018.
2. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of performance there are no reportable segments in accordance with the requirement of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment Reporting' notified under the Companies (Indian Accounting Standard) Rules, 2015.
3. The financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules 2015 (Ind AS) as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results have been prepared in accordance with the recognition and measurement principles in Ind AS 34 - Interim Financial Reporting, prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
4. Till 30 June, 2017 Revenue from operations included the applicable excise duty which was shown as operating expense. Post the applicability of Goods and Service Tax (GST) w.e.f. 01 July, 2017 Revenue from operations is shown net of GST. Accordingly revenue from operations and other expenses for the quarter ended 30 June, 2018 are not comparable with the results of quarter ended 30 June, 2017.
5. Effective from April 1, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transaction method which is applied to contracts which were not completed as of 1 April, 2018. Accordingly the comparatives have not been retrospectively adjusted. The impact of Ind AS 115 is not material on financial results.
6. The financial result is also available on the website of the stock exchanges, (www.bseindia.com, www.nseindia.com) and on the website of the Company at www.orientrefractories.com.
7. Previous periods figures have been reclassified / regrouped to conform to the classifications adopted in the current period, wherever considered necessary.



Price Waterhouse Chartered Accountants LLP

The Board of Directors
Orient Refractories Limited
804-A Chiranjivi Tower,
43, Nehru Place,
New Delhi 110019

1. We have reviewed the unaudited financial results of Orient Refractories Limited (the "Company") for the quarter ended 30 June, 2018 which are included in the accompanying 'Unaudited Financial Results for the Quarter ended 30 June 2018 (the "Statement")'. The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The financial results of the Company for the quarter ended June 30, 2017 prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, were reviewed by another firm of chartered accountants who, vide their report dated September 12, 2017, expressed an unmodified conclusion on those financial results. Our conclusion is not qualified in respect of this matter.

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



Abhishek Rara
Partner
Membership Number 077779

Place: Gurugram
Date: July 31, 2018

Price Waterhouse Chartered Accountants LLP, Building No. 8, 7th & 8th Floor, Tower - B, DLF Cyber City
Gurgaon - 122 002

T: +91 (124) 4620000, 3060000, F: +91 (124) 4620620

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

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Extract of Financial Results for the Quarter ended 30 June, 2018

(Rs. in Lacs)

S.No.	Particulars	Quarter ended 30 June, 2018	Quarter ended 31 March, 2018	Quarter ended 30 June, 2017	Year ended 31 March, 2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Total revenue from operations	17,409.35	17,885.75	15,050.21	63,559.30
2.	Net profit before tax *	3,307.43	4,213.91	2,468.73	13,084.53
3.	Net profit after tax*	2,190.81	2,745.63	1,630.44	8,583.32
4.	Total Comprehensive income for the period after tax	2,186.77	2,756.79	1,587.90	8,568.89
5.	Equity share capital (Face value Re. 1/- per share)	1,201.39	1,201.39	1,201.39	1,201.39
6.	Reserves (excluding revaluation reserves)				31,079.84
7.	Basic and Diluted earning per share (of Re. 1/- each) (not annualized)/(in Rs.)	1.82	2.29	1.36	7.14

* The Company does not have any extraordinary item to report for the above periods.

Note:

- The above is an extract of the detailed format for quarterly financial results for the quarter ended 30 June, 2018 filed with the stock exchanges under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results for the quarter ended 30 June, 2018 are available on the website (www.bseindia.com and www.nseindia.com) and on the Company's website (www.orientrefractories.com).
- The unaudited financial results for the quarter ended 30 June, 2018 have been taken on record by the Board of Directors at its meeting held on 31 July, 2018. The statutory auditors have expressed an unqualified review opinion on the above results.
- According to requirement of SEBI (Listing obligations & Disclosure requirements) Regulation 2015, revenue for the quarter ended 30 June, 2017 was reported inclusive of excise duty. Goods and Service Tax (GST) has been implemented with effect from 01 July, 2017, which replaces excise duty and other input taxes. As per Ind AS 115, the revenue for the quarter ended 30 June, 2018 is reported net of GST.
- Previous periods figures have been reclassified / regrouped to conform to the classifications adopted in the current period, wherever considered necessary.

For **Orient Refractories Limited****Parmod Sagar**Managing Director & CEO
(DIN:06500871)Place : Gurugram, Haryana
Date : 31 July, 2018

ANNEXURE-D

Disclosure under Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

Composite Scheme of Amalgamation

S. No.	Details	Orient Refractories	RHI India	RHI Clasil
a)	Name of the entities forming part of amalgamation/ merger	Orient Refractories Limited	RHI India Private Limited	RHI Clasil Private Limited
	Size (net worth as of March 31, 2018)	Rs. 32,281.23 Lacs	Rs. 15,028.83 Lacs	Rs. 3,877.04 Lacs
	Turnover * for the F.Y. ended March 31, 2018	Rs. 63,559.30 Lacs	Rs. 45,984.54 Lacs	Rs. 26,777.31 Lacs
		* Turnover includes gross operating revenue / sales (as applicable).		
b)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"?	<ul style="list-style-type: none"> - This transaction constitutes a related party transaction as all the three companies are part of the RHI Magnesita group of companies. - Orient Refractories is a subsidiary of Dutch U.S. Holding B.V., which is ultimately owned by RHI Magnesita N.V. - Two group companies of RHI Magnesita, being Dutch Brasil Holding B.V. and VRD Americas B.V., hold 100% of RHI India. - RHI Clasil is a subsidiary of VRD Americas B.V., which is ultimately owned by RHI Magnesita N.V. - This transaction will be undertaken on an arm's length basis. 		
c)	Area of business of the entity(ies)	The Company is in the business of manufacture and marketing of refractory products, systems and services and has various global partners for its international quality products.	RHI India is engaged in the business of purchase, sale, import, export and marketing of refractories, refractory products, chemicals, formulations, and related equipment required in industries such as steel plants, furnaces, power houses, and cement plants.	RHI Clasil is engaged in the business of manufacture and marketing of refractories and allied products.
d)	Rationale for amalgamation	<ul style="list-style-type: none"> - simplification of the corporate structure and consolidation of the India businesses of the RHIM group; - establishing a comprehensive refractory product portfolio; - realising business efficiencies, <i>inter alia</i>, through optimum utilisation of resources due to pooling of management, expertise, technologies and other resources of the companies; - improved allocation of capital and optimisation of cash flows contributing to the 		



		<ul style="list-style-type: none"> - overall growth prospects of the combined company; - creation of a larger asset base and facilitation of access to better financial resources; and - enhanced shareholder value pursuant to economies of scale and business efficiencies. 		
e)	Share exchange ratio	<p>As consideration for the amalgamation, equity shares of Orient Refractories will be issued to the shareholders of RHI India and RHI Clasil in the following ratios, as approved by the board:</p> <ul style="list-style-type: none"> - 7,044 equity shares of Orient Refractories (of face value of Re. 1 each) for every 100 equity shares held in RHI India (of face value of Rs. 10 each); and - 908 equity shares of Orient Refractories (of face value of Re. 1 each) for every 1000 equity shares held in RHI Clasil (of face value of Rs. 10 each). 		
f)	Change in shareholding pattern of the listed entity	<ul style="list-style-type: none"> - Currently, Dutch US Holding B.V., a wholly owned subsidiary of RHI Magnesita, holds 69.6% in Orient Refractories, with the remaining 30.4% being held by public shareholders. - In terms of the Securities and Exchange Board of India (SEBI) circular dated March 10, 2017, as amended, the percentage shareholding of the public shareholders of the listed entity prior to a scheme involving unlisted companies shall be not less than 25% of the post scheme shareholding pattern of the combined company. Adequate measures will be taken to ensure compliance with this requirement. - Post the Scheme, the shareholding of RHI Magnesita, through Dutch US Holding B.V. and other group companies, is likely to be around 70%. Furthermore, around 5% of the shareholding will be held by certain individual shareholders of RHI Clasil who are not part of the RHI Magnesita group. 	N.A.	N.A.



Press Release

Board of Orient Refractories approves merger with RHI India and RHI Clasil

- All three companies are part of the RHI Magnesita group, the leading global supplier of high-grade refractory products, systems and services.
- The merger aims to achieve a simplification of the corporate structure and consolidation of RHI Magnesita's operating entities to tap growth potential in the Indian market, more effectively and efficiently.
- Combined company will have operating revenues of Rs. 12,356 mn (on a FY 2018 proforma basis), 2 production facilities and over 700 employees.

Gurugram, Tuesday, July 31, 2018: The Board of Directors of Orient Refractories Limited (“**Orient Refractories**”), RHI India Private Limited (“**RHI India**”) and RHI Clasil Private Limited (“**RHI Clasil**”), at their respective meetings held today, approved the proposal to merge RHI India and RHI Clasil with Orient Refractories, pursuant to a composite scheme of amalgamation (the “**Scheme**”). All three companies are part of the RHI Magnesita group, the leading global supplier of high-grade refractory products, systems and services. Following completion of the Scheme and subject to receipt of necessary approvals, Orient Refractories is proposed to be renamed to RHI Magnesita India Limited.

The key objective of the proposed Scheme is to combine the strengths and competencies of all three operating companies in India under one strong listed company that is well positioned to leverage future growth opportunities and enhance shareholder value.

The proposed Scheme is also in line with RHI Magnesita's strategy to consolidate its Indian operations as it considers India to be one of its key markets and strongly believes that the country and the Asia region have significant growth potential for its refractory products and services. Presently, RHI Magnesita has three operating companies in India: (a) Orient Refractories, a leading manufacturer and supplier of special refractory products, systems and services for the steel industry. The company is 69.6% owned by RHI Magnesita and is listed on the Indian stock exchanges, (b) RHI India, a wholly-owned subsidiary, which is the Indian sales company of the RHI Magnesita group, offering a full range of refractories and related services sourced from various RHI Magnesita group entities to Indian customers, and (c) RHI Clasil, a manufacturer and supplier of mainly Alumina based refractories for the steel and cement industries, which is 53.7% owned by RHI Magnesita.

Key Benefits

Upon completion, the combined company is expected to benefit from the following:

- Simplification of the corporate structure and consolidation of RHI Magnesita's operating entities in India by forming a leading manufacturer and supplier of refractories with operating revenues of Rs. 12,356 mn (on a FY 2018 proforma basis), 2 production facilities and more than 700 employees.
- Establishing the industry's most comprehensive refractory product portfolio including, among others, Magnesita and Alumina based bricks and mixes for large industrial clients as well as specialty refractory products, with proven supply and sales capabilities.
- Realizing business efficiencies by bundling product offerings, leveraging sales/ distribution networks and optimizing the utilization of resources due to pooling of management, expertise, technologies and other resources.
- Improving the allocation of capital and enhancing cash flows contributing to the overall growth prospects of the combined company.
- Creating a larger asset base and facilitating access to better financial resources.
- Enhancing shareholder value pursuant to economies of scale and business efficiencies.

Commenting on the Scheme, Mr. Parmod Sagar, Managing Director & CEO, Orient Refractories said *"The merger will strengthen our position, significantly expand our product offerings and sales platform to access a much larger client base and allow for a pooling of resources and know-how. We believe that this will act as a strong platform from which we can embark on the next phase of our growth and unlock significant value for the shareholders."*

"The merger marks an important milestone towards expanding RHI Magnesita's market leadership in the refractory market of India. We are convinced that one strong entity, organization and management in India will increase long term value for all stakeholders", said Mr. Stefan Borgas, CEO, RHI Magnesita. *"This merger significantly enhances the profile of RHI Magnesita in India and creates a stable umbrella under which the immense growth potential we see in the Indian market can be tapped more effectively and efficiently."*

Key Highlights of the Scheme

- As consideration for the merger, fresh equity shares of Orient Refractories will be issued to the shareholders of RHI India and RHI Clasil in the following ratios, as approved by the board:
 - 7,044 equity shares of Orient Refractories (of face value of Re. 1 each) for every 100 equity shares of RHI India (of face value of Rs. 10 each); and
 - 908 equity shares of Orient Refractories (of face value of Re. 1 each) for every 1,000 equity shares of RHI Clasil (of face value of Rs. 10 each).

Jain, Jindal & Co, Chartered Accountants are the Independent Valuers and Keynote Corporate Services Limited provided the Fairness Opinion to the board of directors of Orient Refractories.

- Pursuant to the Scheme, the equity shares of Orient Refractories will increase from approximately 120.1 mn to approximately 161 mn.
- In terms of the Securities and Exchange Board of India (SEBI) Circular dated March 10, 2017, as amended, the percentage shareholding of the public shareholders of the listed entity prior to a scheme involving unlisted companies shall be not less than 25% of the post scheme shareholding pattern of the combined company. Adequate measures will be taken to ensure compliance with this requirement.

Post the Scheme, the shareholding of RHI Magnesita, through Dutch US Holding B.V. and other group companies, in the combined company is likely to be around 70%. Furthermore, around 5% of the shareholding will be held by certain individual shareholders of RHI Clasil who are not part of the RHI Magnesita group.

- The Scheme will be subject to approvals from relevant regulatory authorities including approvals from the stock exchanges, shareholders and creditors of the respective companies, National Company Law Tribunal (NCLT), and necessary corporate approvals and filings with the registrar of companies and the stock exchanges. The merger through the proposed Scheme is expected to be completed over the next 9-12 months.
- JM Financial Limited acted as Financial Advisor, PricewaterhouseCoopers (P) Ltd. as Indian Regulatory Process Advisor and Platinum Partners as Legal Advisor to the transaction.

About RHI Magnesita

RHI Magnesita is the leading global supplier of high-grade refractory products, systems and services which are indispensable for industrial high-temperature processes exceeding 1,200°C in a wide range of industries, including steel, cement, non-ferrous metals, and glass, among others. With a vertically integrated value chain, from raw materials to refractory products and full performance-based solutions, RHI Magnesita serves more than 10,000 customers in nearly all countries around the world.

With more than 14,000 employees in 35 main production sites and more than 70 sales offices, RHI Magnesita has unmatched geographic diversification. RHI Magnesita intends to use its global leadership in revenue, greater scale, complementary product portfolio and diversified geographic presence to target markets and regions benefitting from more dynamic economic growth prospects.

The flagship company of the group is RHI Magnesita N.V. The combined company generated proforma €2.7 billion in revenues in the financial year ended December 31, 2017. RHI Magnesita N.V. is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index. For further information please visit www.rhimagnesita.com.

For more information on Orient Refractories, please visit its website: www.orientrefractories.com.

For further details please contact:

Orient Refractories Limited

Sanjay Kumar

Company Secretary

Phone: +91-1493-222266/ 67/ 68

E-mail: cssanjay@orlindia.com

Office Address: SP-148, RIICO Industrial Area, Bhiwadi, District Alwar, Rajasthan - 301019, India.

Disclaimer

Certain information contained in this document constitutes “forward-looking statements”, which can be identified by the use of terms such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “estimate”, “intend”, “continue”, “target” or “believe” (or the negatives thereof) or other variations thereon or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Such statements express the intentions, opinions, or current expectations of the parties with respect to possible future events and are based on current plans, estimates and forecasts, which the parties have made to the best of as per their respective knowledge, concerning, among other things, the respective business, results of operations, financial position, prospects, growth and strategies, statements regarding the transaction and the anticipated consequences and benefits of the transaction, and the targeted closing date of the transaction. Due to various risks and uncertainties, actual events or results or the actual performance may differ materially from those reflected or contemplated in such forward-looking statements. Such risks and uncertainties include, but are not limited to, regulatory approvals that may require acceptance of conditions with potentially adverse impacts; risks involving the parties’ respective ability to realize expected benefits associated with the transaction; the impact of legal or other proceedings; and continued growth in the market and general economic conditions in the relevant market(s).

No assurances can be given that the forward-looking statements in this document will be realized. As a result, recipients should not rely on such forward-looking statements. Subject to compliance with applicable law and regulations, the parties undertake no obligation to update these forward-looking statements. All information contained in this document has been prepared solely by Orient Refractories. No information contained herein has been independently verified by anyone else. No representation or warranty is made as to the reasonableness of such forward-looking statements. No statement in this document is intended to be nor should be construed as a profit forecast or estimate for any period. Actual results could differ materially from those expressed or implied. This document is not a complete description of the transaction. Any opinions expressed in this document or the contents of this document are subject to change without notice. This document should not be construed as legal, tax, accounting, investment or other advice. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained herein and must make such independent investigation including obtaining independent tax advice as they may consider necessary or appropriate for such purpose. Neither Orient Refractories nor anyone else accepts any liability whatsoever for any loss, howsoever, arising from any use or reliance on this document or its contents or otherwise arising in connection therewith.

The proforma figures in this document have been arrived at through a mathematical addition of the respective figures of Orient Refractories, RHI India and RHI Clasil, and certain inter-company adjustments made thereto, where relevant. However, such proforma figures have not been audited or subjected to limited review, and the adjustments made do not represent the full of set of consolidation, inter-company transactions, related party transactions, Ind AS/ IGAAP adjustments or any other form of adjustments. Such proforma figures could change materially if they were to be audited or subjected to limited review/ if all relevant adjustments are conducted and therefore, recipients should not place reliance on such proforma figures.

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Presentation

July 31, 2018

Executive Summary



Merger of RHI India Private Limited (“**RHI India**”) and RHI Clasil Private Limited (“**RHI Clasil**”) with Orient Refractories Limited (“**Orient Refractories**”)



Merger will be pursuant to a composite scheme of amalgamation approved by the National Company Law Tribunal (“**NCLT**”) (“**Scheme**”)



The consideration for the amalgamation will be by way of issuance of fresh equity shares of Orient Refractories to the shareholders of RHI India and RHI Clasil



Strengths and competencies of all 3 operating companies in India to be combined under one strong listed company that is well positioned to leverage future growth opportunities and enhance shareholder value



Combined company will have operating revenues of Rs. 12,356 mn and EBITDA of Rs. 2,322 mn (on a FY 2018 proforma ⁽¹⁾ basis)

Note:

1. The proforma figures in this document have been arrived at through a mathematical addition of the respective figures of Orient Refractories, RHI India and RHI Clasil, and certain inter-company adjustments made thereto, where relevant. However, such proforma figures have not been audited or subjected to limited review, and the adjustments made do not represent the full of set of consolidation, inter-company transactions, related party transactions, Ind AS/ IGAAP adjustments or any other form of adjustments. Such proforma figures could change materially if they were to be audited or subjected to limited review/ if all relevant adjustments are conducted and therefore, recipients should not place reliance on such proforma figures.

Section 1: Overview of the Scheme

RHI Magnesita in India

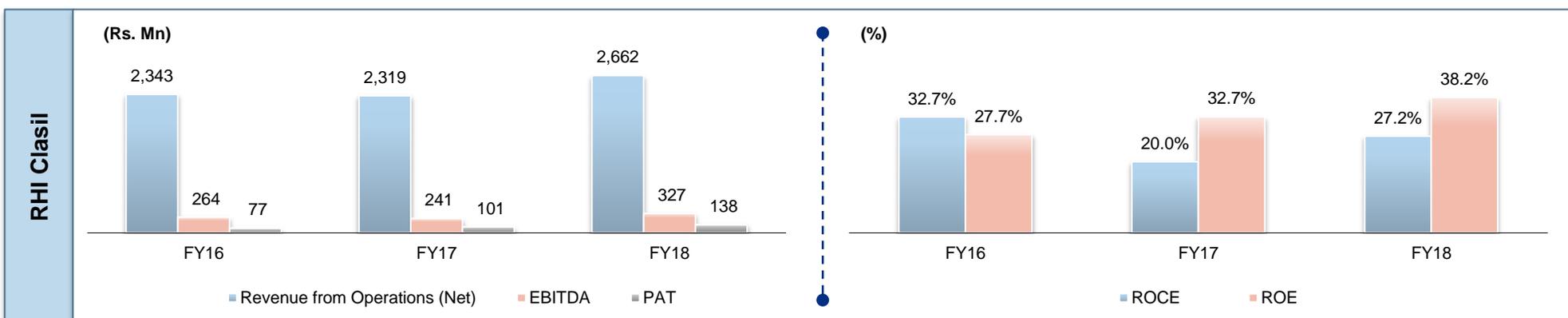
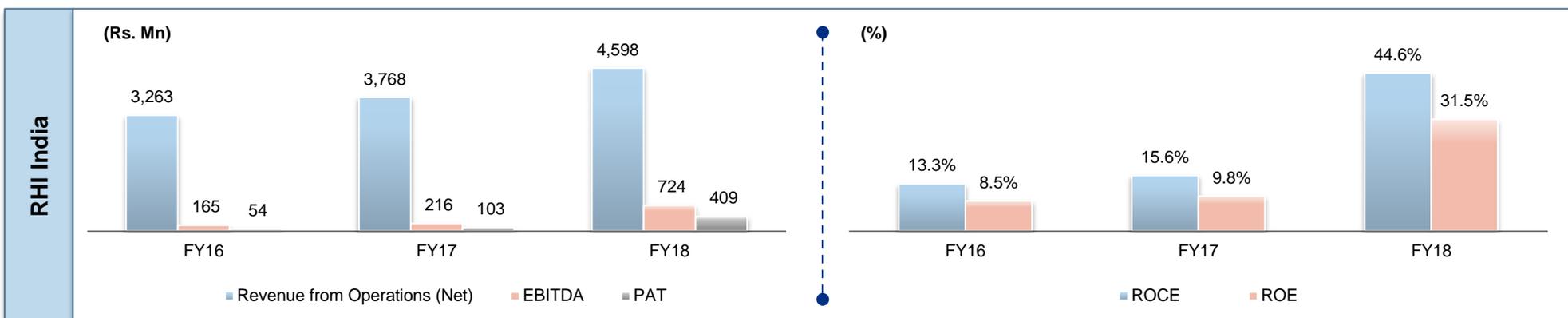
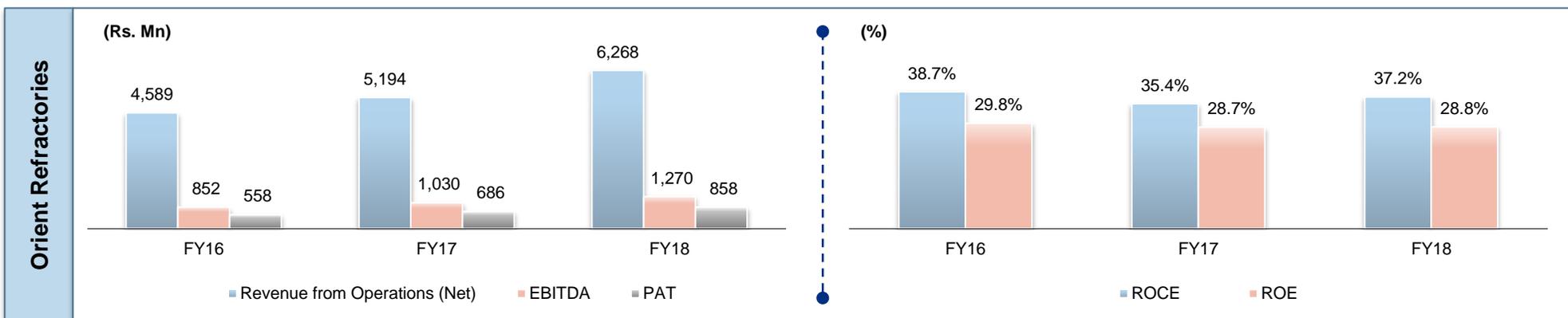
RHI Magnesita has 3 Operating Companies in India:

	Orient Refractories ⁽¹⁾	RHI India	RHI Clasil
Incorporation/ Listing	<ul style="list-style-type: none"> 26 November 2010 (Listed on NSE and BSE) 	<ul style="list-style-type: none"> 15 June 2007 (Unlisted) 	<ul style="list-style-type: none"> 7 December 2005 (Unlisted)
Nature of Business	<ul style="list-style-type: none"> Manufacturer and supplier of special refractory products, systems and services for the steel industry 	<ul style="list-style-type: none"> Seller of refractories and related services with a focus on the Indian steel industry 	<ul style="list-style-type: none"> Manufacturer and supplier of mainly Alumina based refractories for the steel and cement industries
Product Portfolio	<ul style="list-style-type: none"> Isostatically pressed continuous casting refractories, slide gate plates, nozzles, etc. 	<ul style="list-style-type: none"> Full range of refractories and related services sourced from various RHI Magnesita group entities to Indian customers 	<ul style="list-style-type: none"> Mainly Alumina based refractories
Key Production Facilities	<ul style="list-style-type: none"> Bhiwadi, Rajasthan 2 franchise services (Toll Manufacturing), Salem, Tamil Nadu 	<ul style="list-style-type: none"> Trading company; No production facilities 	<ul style="list-style-type: none"> Vizag, Andhra Pradesh
Sales/ Distribution	<ul style="list-style-type: none"> 7 sales offices including in cities like Ludhiana, Raipur, Hospet 	<ul style="list-style-type: none"> 8 sales offices including in cities like Kolkata, Surat, Jamshedpur 	<ul style="list-style-type: none"> Sales office in Hyderabad
Employees	<ul style="list-style-type: none"> Approx. 500 	<ul style="list-style-type: none"> Approx. 135 	<ul style="list-style-type: none"> Approx. 90
Financials (FY18)	<ul style="list-style-type: none"> Operating Revenue: Rs. 6,268 mn EBITDA: Rs. 1,270 mn PAT: Rs. 858 mn 	<ul style="list-style-type: none"> Operating Revenue: Rs. 4,598 mn EBITDA: Rs. 724 mn PAT: Rs. 409 mn 	<ul style="list-style-type: none"> Operating Revenue: Rs. 2,662 mn EBITDA: Rs. 327 mn PAT: Rs. 138 mn
Key Customers			

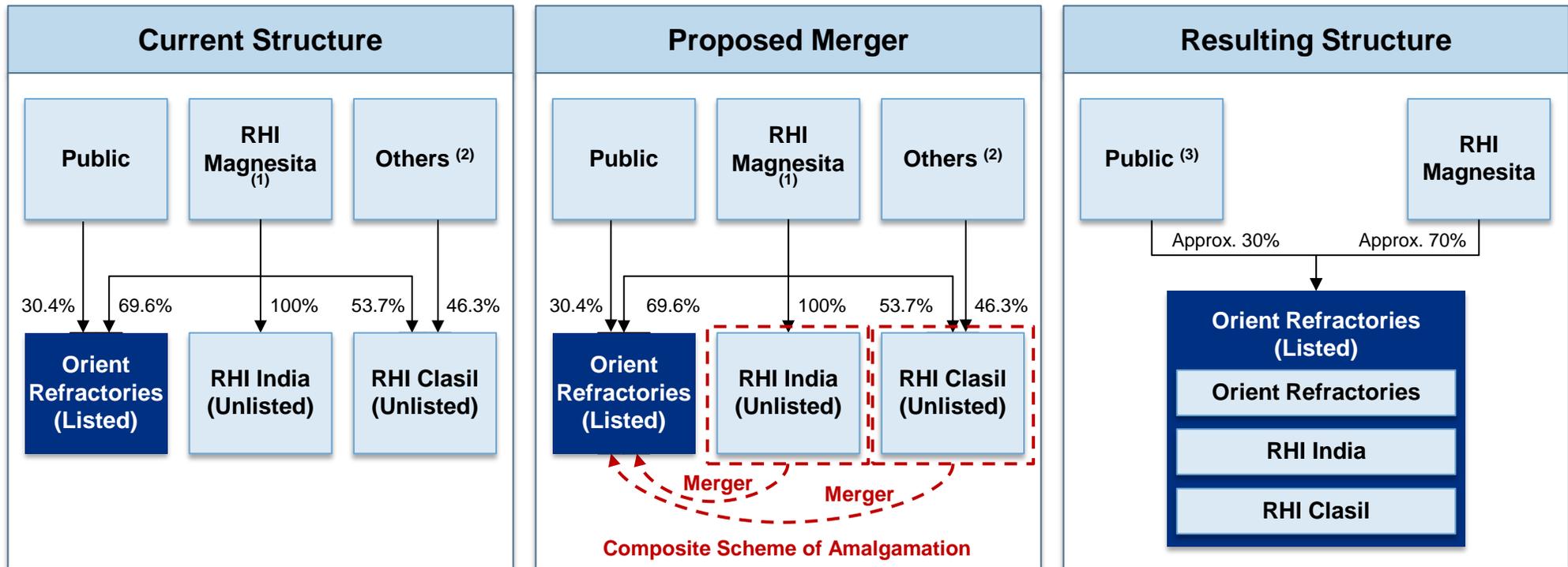
Note:

1. Orient Refractories was acquired by RHI Magnesita through Dutch US Holding B.V. in March, 2013 and is listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

Brief Financials: Orient Refractories, RHI India and RHI Clasil



Establishing One Strong Listed Company



- ✓ Combination through a Composite Scheme of Amalgamation
- ✓ Combine the strengths and competencies of the three operating companies in India under one strong listed company that is well positioned to leverage future growth opportunities and enhance shareholder value
- ✓ Following completion of the Scheme and subject to receipt of necessary approvals, Orient Refractories is proposed to be renamed to RHI Magnesita India Limited

Notes:

1. Shareholding through Dutch US Holding B.V. (in Orient Refractories), Dutch Brasil Holding B.V. and VRD Americas B.V. (in RHI India), and VRD Americas B.V. (in RHI Clasil).
2. Consists of certain individual shareholders of RHI Clasil who are not part of the RHI Magnesita group.
3. Shareholding of individual shareholders of RHI Clasil (who are not part of the RHI Magnesita group) has been included as part of Public for the purposes of this calculation.

Enhanced Combined Capabilities

2x the Revenue

Rs. 12,356 mn FY 2018 Proforma
Combined Operating Revenue ⁽¹⁾

vs.

Rs. 6,268 mn FY 2018 Orient
Refractories Operating Revenue

Rs. 2,322 mn

FY 2018

Proforma Combined EBITDA ⁽¹⁾

Comprehensive Portfolio

of Refractory Products and related
Services

2 Production Facilities

Upgraded Sales/ Service Capabilities

16 Sales Offices and more than
1,000 Clients

More than 700

Employees

Listing on NSE & BSE

Continued Listing and High
Corporate Governance

Note:

1. The proforma figures in this document have been arrived at through a mathematical addition of the respective figures of Orient Refractories, RHI India and RHI Clasil, and certain inter-company adjustments made thereto, where relevant. However, such proforma figures have not been audited or subjected to limited review, and the adjustments made do not represent the full of set of consolidation, inter-company transactions, related party transactions, Ind AS/ IGAAP adjustments or any other form of adjustments. Such proforma figures could change materially if they were to be audited or subjected to limited review/ if all relevant adjustments are conducted and therefore, recipients should not place reliance on such proforma figures.

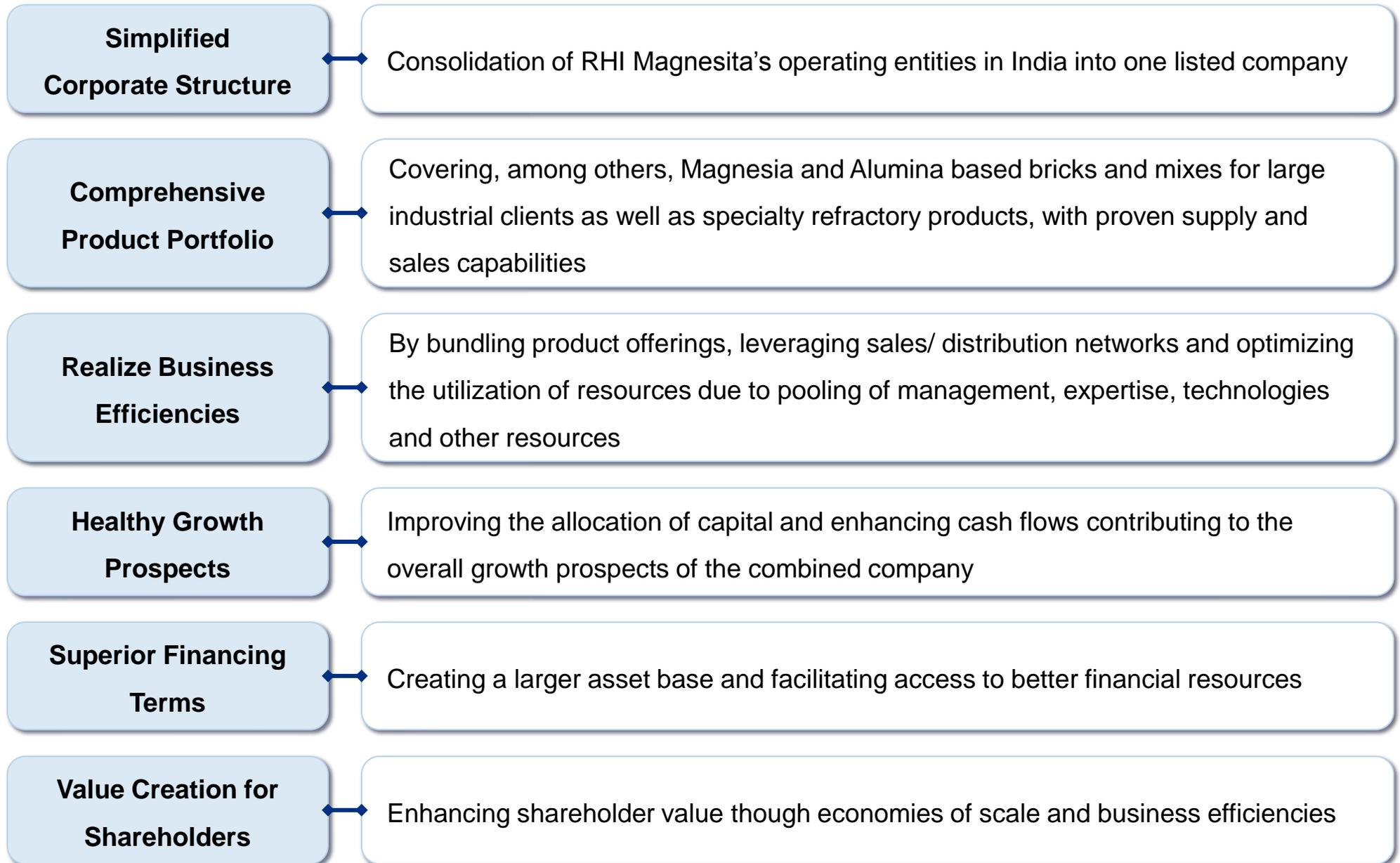
Strong Proforma Financials

Particulars	Proforma FY 2018 ⁽¹⁾ (Rs. mn)
Revenue from Operations	12,356
EBITDA	2,322
<i>% EBITDA margin</i>	18.8%
PAT	1,406
<i>% PAT margin ⁽²⁾</i>	11.2%
Return on Capital Employed (ROCE) ⁽³⁾	37.4%
Return on Equity (ROE) ⁽⁴⁾	30.3%

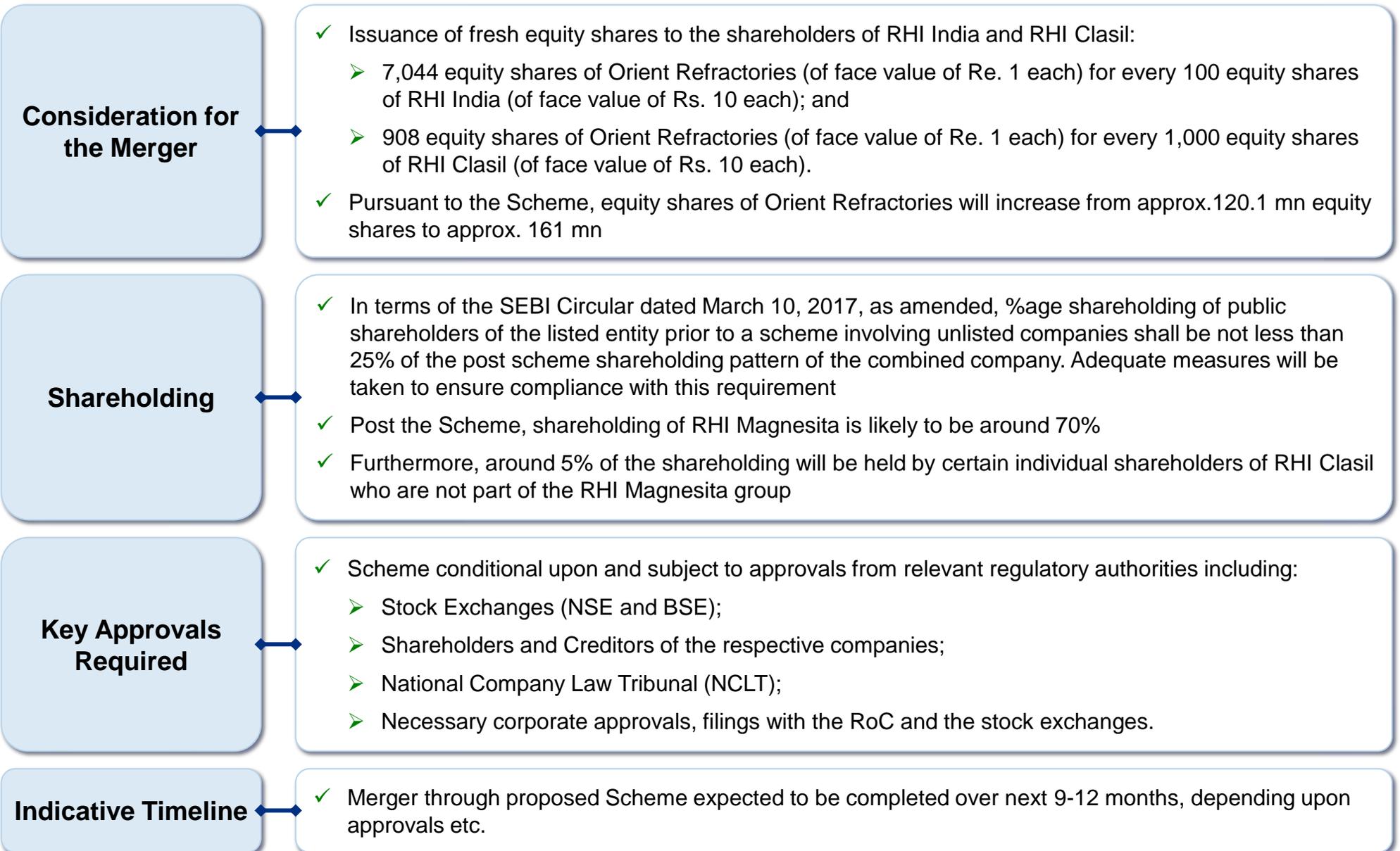
Notes:

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- For calculation of PAT margin, interest/ other income has also be considered in revenue.
- $$\text{ROCE} = \frac{\text{Pre Tax EBIT (Orient Refractories + RHI India +RHI Clasil)}}{\text{Capital Employed (Orient Refractories + RHI India +RHI Clasil)}}$$
- $$\text{ROE} = \frac{\text{PAT (Orient Refractories + RHI India +RHI Clasil)}}{\text{Average Networth (Orient Refractories + RHI India +RHI Clasil)}}$$

Key Benefits from the Scheme



Key Highlights of the Scheme



Transaction Advisors

Financial Advisor

JM Financial Limited

Indian Regulatory Process Advisor

PricewaterhouseCoopers (P) Ltd.

Legal Counsel

Platinum Partners

Independent Valuer

Jain, Jindal & Co, Chartered Accountants

Fairness Opinion

Keynote Corporate Services Limited

Section 2: Overview of RHI Magnesita

RHI Magnesita – A World Leader in Refractories

€2.7bn

2017 pro-forma
revenue

10,000

Customers served
globally

14,000

Employees spread
over 37 countries

35

Main production sites
across 16 countries

180

Countries shipped
worldwide

10

Main raw material
sites in 4 continents

>€37m

Annual investment in
Research

Refractories are Critical to High Temperature Processes

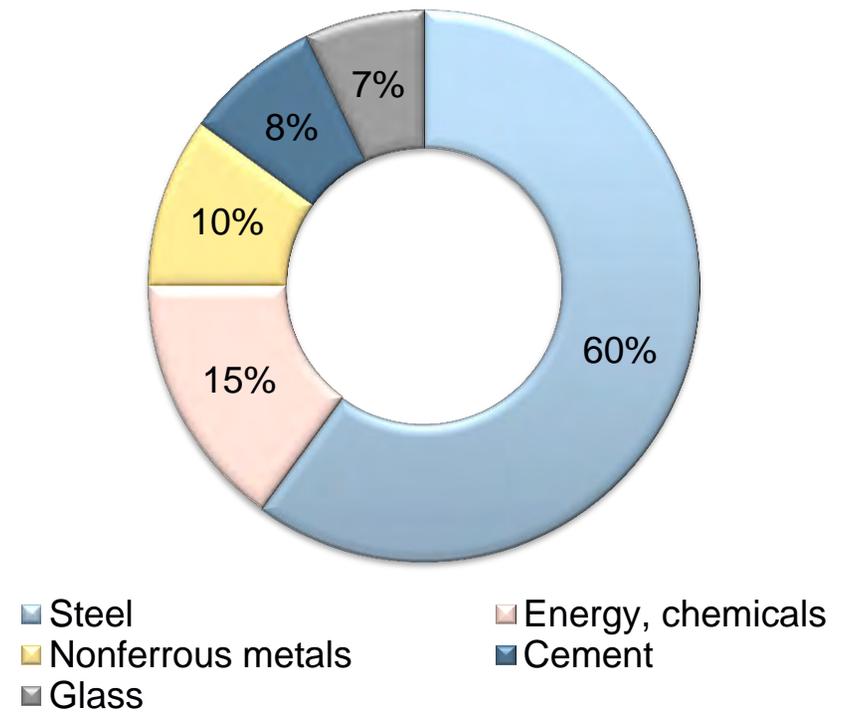
- ✓ Refractory products are used in all the world's high-temperature industrial processes
- ✓ These range from bricks and lining mixes to flow control products such as slide gates, nozzles and plugs

➤ Refractories are critical consumable or investment goods for high-temperature manufacturing processes

➤ Essentially fireproof materials consumed whilst protecting clients' production processes, retaining physical and chemical characteristics when exposed to extreme conditions

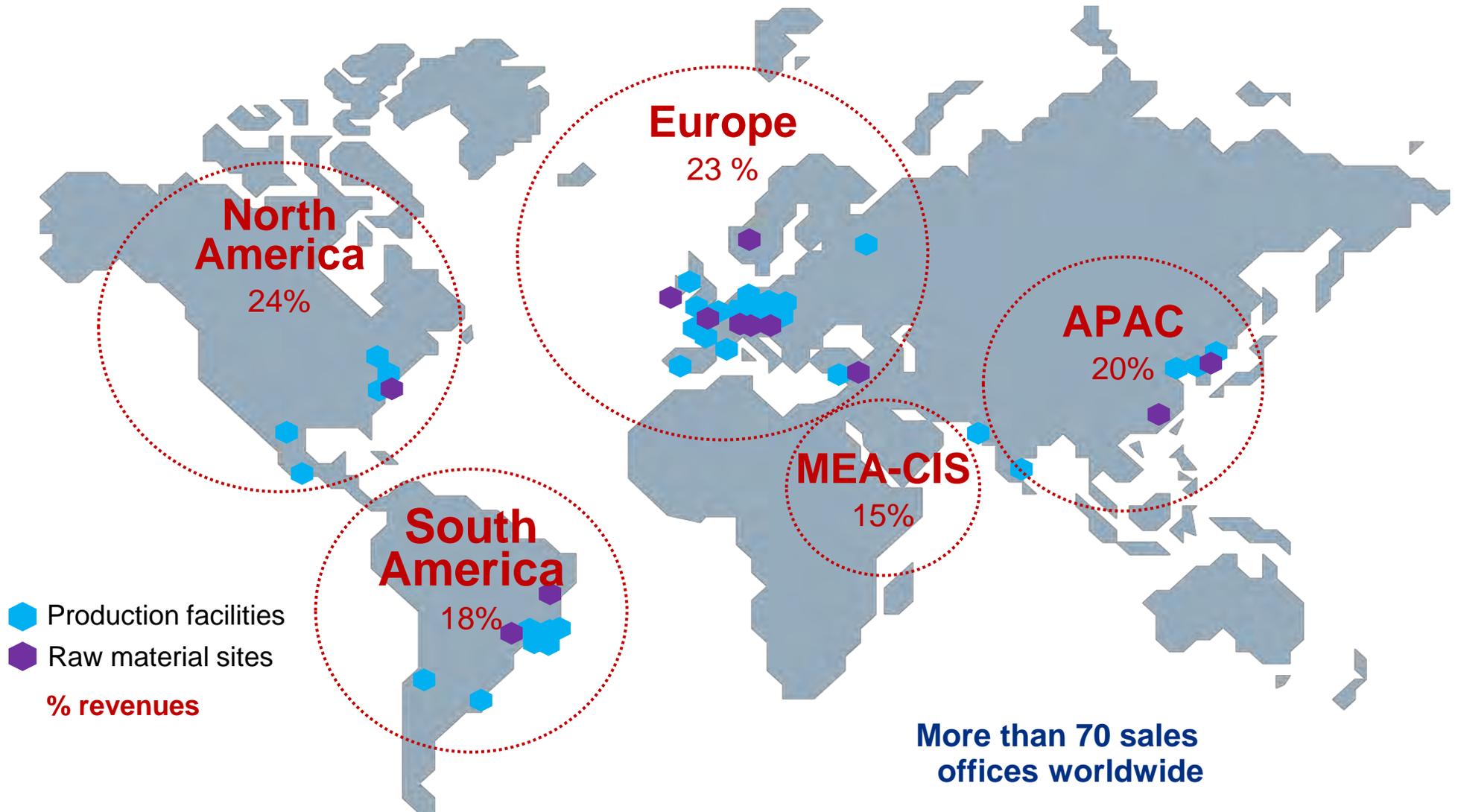
➤ Critical, yet represent less than 3% of COGS in steel manufacturing and less than 1% in other applications

Main end markets
>€20 billion worldwide industry



Source: Company Estimates

RHI Magnesita has Truly Global Reach



Serving Blue Chip Clients in every Industry

Steel



Serving 1,060 of
1,250 plants⁽¹⁾

Cement



Serving 1,376
of 1,537 plants¹

Glass



Serving 800 of
900 plants¹

Metals



Serving 650 of
2,000 plants¹

Note
1. ex-China

Premium UK Listing and Corporate Governance

Listing in the UK underscores RHI Magnesita's International Scope



Listed in the Premium Market in the London Stock Exchange



Strong commitment and full adherence to the UK corporate governance code



Majority independent Board targeted



No controlling shareholder (or shareholder agreement)



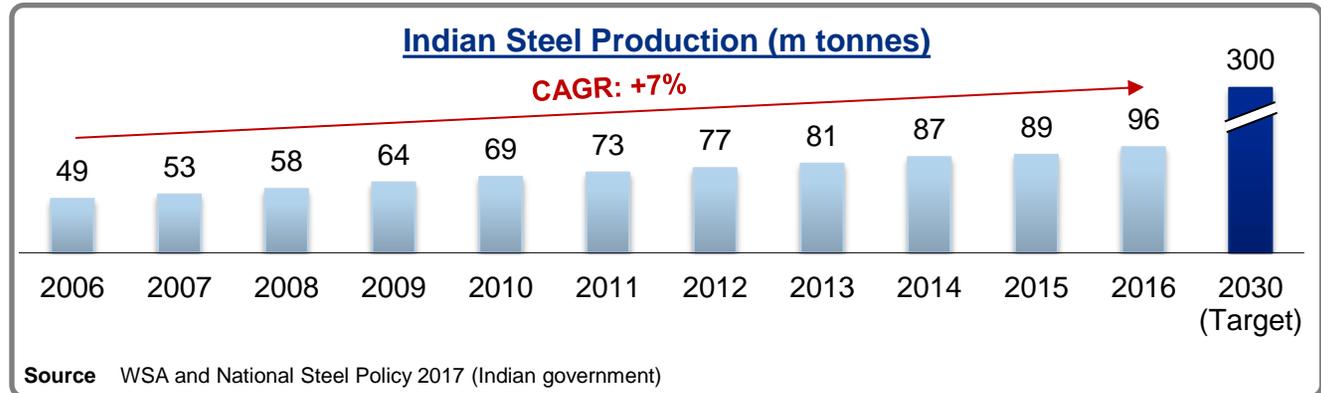
London
Stock Exchange

RHIM

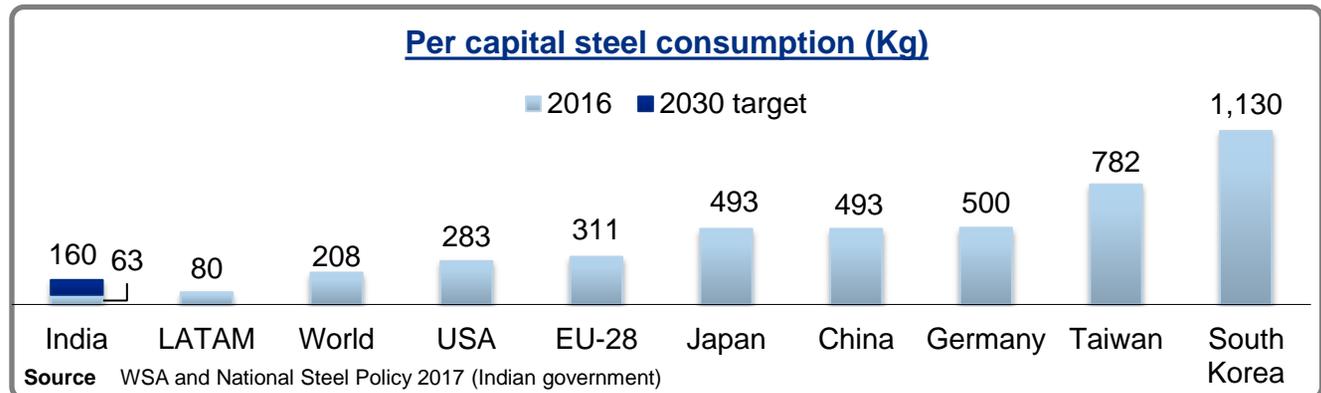
PREMIUM

India is A Key Growth Market for RHI Magnesita

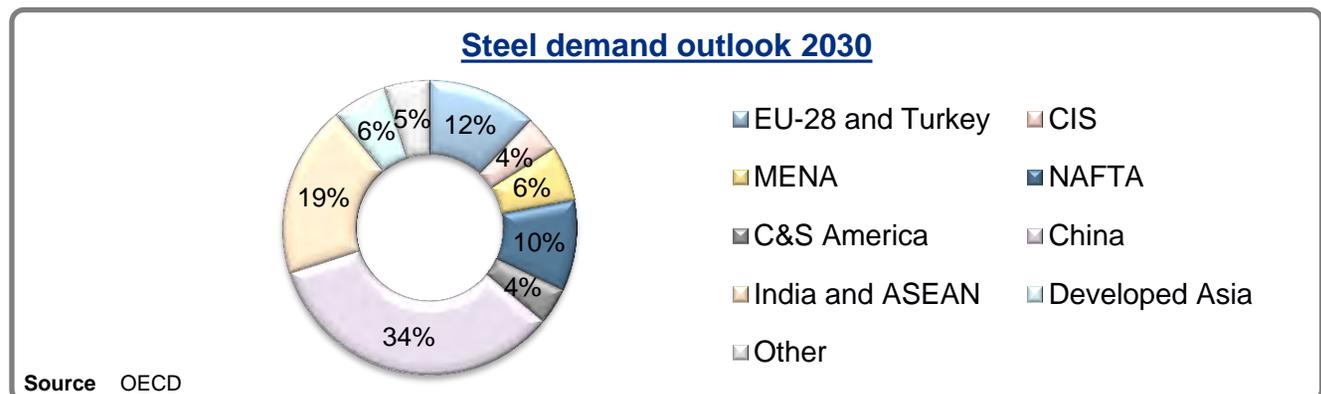
➤ India became the **3rd largest steel producer** in the world after a decade of solid growth



➤ An ambitious government program aims to reach **300m tonnes of steel production by 2030**, triple 2016 output



➤ Per capita consumption should increase from **63kg (2016) to 160kg**



Disclaimer

Certain information contained in this document constitutes “forward-looking statements”, which can be identified by the use of terms such as “may”, “will”, “should”, “expect”, “anticipate”, “project”, “estimate”, “intend”, “continue”, “target” or “believe” (or the negatives thereof) or other variations thereon or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Such statements express the intentions, opinions, or current expectations of the parties with respect to possible future events and are based on current plans, estimates and forecasts, which the parties have made to the best of as per their respective knowledge, concerning, among other things, the respective business, results of operations, financial position, prospects, growth and strategies, statements regarding the transaction and the anticipated consequences and benefits of the transaction, and the targeted closing date of the transaction. Due to various risks and uncertainties, actual events or results or the actual performance may differ materially from those reflected or contemplated in such forward-looking statements. Such risks and uncertainties include, but are not limited to, regulatory approvals that may require acceptance of conditions with potentially adverse impacts; risks involving the parties’ respective ability to realize expected benefits associated with the transaction; the impact of legal or other proceedings; and continued growth in the market and general economic conditions in the relevant market(s).

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Orient Refractories Limited

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ANNEXURE-G

S. No.	Details	Particulars
1.	Name of the parties with whom agreement is entered.	Concept Public Relations India Limited ("Concept")
2.	Purpose of entering into agreement.	The Company has appointed Concept as an advertisement agency for the purposes of dissemination of information in relation to the merger to the public.
3.	Shareholding, if any, in the entity with whom the agreement is executed.	The Company has no shareholding in Concept. Further, Concept has no shareholding in the Company.
4.	Significant terms of the contract (in brief) special rights like right to appoint directors, first right of share subscription in case of issuance of shares, right to restrict any change in capital structure, etc.	This agreement is for provision of media services by Concept to the Company in relation to the proposed merger. The agreement does not contain any clause, by virtue of which, Concept would be entitled to any special rights.
5.	Whether, the said parties are related to promoter / promoter group / group companies in any manner? If yes, nature of relationship.	Concept is not related to the promoter / promoter group / group companies of the Company.
6.	Whether the transaction would fall within related party transaction? If yes, whether the same is done at "arm's length"?	This appointment is not a related party transaction.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued.	There is no issuance of shares to Concept pursuant to this appointment.
8.	Any other disclosures relating to such agreements, viz. details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreement, etc.	-
9.	In case of termination or amendment of agreement, listed entity shall disclose additional details to stock exchange(s): (a) name of parties to the agreement; (b) nature of the agreement; (c) date of execution of the agreement; and (d) details of amendment and impact thereof or reasons of termination and impact thereof.	N.A.

