



38TH ANNUAL REPORT

2014-2015



NILACHAL REFRATORIES LIMITED



NILACHAL REFRACTORIES LIMITED

as on 31-03-2015

BOARD OF DIRECTORS

Mr. Bhagawati Prasad Jalan

Chairman

Mr. Saravanan Asokan

Whole-time Director

Mr. Vijay Kumar Agarwal

Mr. Vimal Prakash

Mr. Niraj Jalan

Mr. Sribash Chandra Mishra

Mr. Ramesh Dhandhanian

Mr. Sundaresan Radhakrishnan

Mr. Tej Bahadur Singh

Mrs. Bindu Jain

AUDITORS

P. Mukhopadhyay & Co.

Chartered Accountants

BANKER

Canara Bank, L.C. Road Branch, Kolkata

REGISTERED OFFICE

**P/598/599, Lewis Road, Mahabir Nagar,
Kedarnath Appartment, Bhubaneswar - 751 002,
Odisha**

FACTORY

**IPITATA Nagar
Dhenkanal - 759 013, Odisha**



NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Thirty Seventh (38th) Annual General Meeting of the Members of NILACHAL REFRACTORIES LIMITED will be held at 12.30 P.M. on Tuesday, the 22nd September 2015 at the Hotel Pushpak , Bhubaneswar to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year ended 31st March, 2015 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Niraj Jalan who retires by rotation, and being eligible, offer himself for re-appointment.
3. To appoint a Director in place of Mr. Bhagwati Prasad Jalan who retires by rotation, and being eligible, offer himself for re-appointment.
4. To appoint a Director in place of Mr. Saravanan Asokan who retires by rotation, and being eligible, offer himself for re-appointment.
5. To Ratify appointment of Auditors and fix their remuneration and in this connection, 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 139 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. P Mukhopadhyay & Co., Chartered Accountants (Firm Registration No. 302085E), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS

6. Shifting of Registered office from One State to Other State [Special Resolution]

RESOLVED THAT pursuant to the provisions of sections 12, 13 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act 2013, read with rule 30 of the Companies (Incorporation rule) 2014, and subject to confirmation of statutory authorities, the consent of the members of the Company be and is hereby accorded for shifting of registered office from State of Odisha to State of West Bengal (i.e. Kolkata, 30, J. L. Nehru Road, Block-D, Chowringhee Mansion, 1st floor, Kolkata -16) and Clause II of the Memorandum of Association of the Company be substituted by the following Clause:

- i. The Registered Office of the Company will be situated in the State of West Bengal".

FURTHER RESOLVED THAT the Notice of the Annual General Meeting along with Explanatory Statement as placed before the Board duly initialed by the Chairman for the purpose of identification be and is hereby approved and any one of Director and / or Company Secretary of the Company is hereby authorized to issue the notice of Annual General Meeting

FURTHER RESOLVED THAT the amended memorandum of association and articles of association be and hereby be submitted to concerned statutory authorities.

FURTHER RESOLVED THAT any director of the Company be and is hereby authorized jointly and severally to sign the petition , application, affidavits and such other documents as may be necessary in relation to the said application , petition or any other document .

By Order of the Board
Nilachal Refractories Limited

Aditya Purohit
(Company Secretary)

Place: Kolkata
Date: August 14, 2015



NOTES:

- 1. EVERY SHAREHOLDER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/HER AND SUCH PROXY NEED NOT BE A SHAREHOLDER. THE PROXY FORM COMPLETED IN EVERY RESPECT SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE TIME OF THE MEETING.**

A Person can act as proxy on behalf of members not exceeding fifty and holding the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A members holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect to the Special Business to be transacted at the Meeting is annexed hereto.
3. REGISTER OF MEMBERS AND SHARE TRANSFER WILL BE CLOSED FROM 17TH September, 2015 To 22nd September, 2015 (BOTH DAYS INCLUSIVE).
4. Corporate Members are requested to send at Company's Registered Office , a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
5. Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange , brief profile of the Directors seeking re-appointment at this Annual General Meeting is as follows :-

Name of Director	Niraj Jalan	Bhagwati Prasad Jalan	Saravanan Asokan
Date of Birth	14th April 1973	2nd Feb 1946	10th May 1955
Experience	B.Com Honours. He has experience of 10 years in Iron & Steel Industry.	B.Com Honours. He has experience of 40 years in Iron and Steel Industry	B.Tech & M.Tech in Chemical Engineering. Vast Experience in Manufacturing Industry

6. Members are requested to notify promptly any change in their address to the Company's Registrar and Share Transfer Agent, M/s. S. K. Infosolutions Pvt. Ltd. The members are also requested to send all correspondence relating to shares, including transfers and transmissions to the Registrar and Share Transfer Agent.
7. Electronic copy of the Annual Report for the year 2014-15 is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2014-15 are being sent in the permitted mode.
8. Electronic copy of the Notice of the Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in the permitted mode.
9. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company has engaged the services of NSDL to provide the facility of electronic voting ('e-voting') in respect of the Resolutions proposed at this AGM. The Board of Directors of the Company has appointed Mr. Rajashri Ghosh (Membership No. ACS-17717), as the Scrutinizer for this purpose.

The Scrutinizer shall, at least three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The procedure with respect to e-voting is provided below:-

- The procedure to login to e-Voting website is given below:
 - i. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your "User



ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.

- ii. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 - iii. Click on "Shareholder - Login".
 - iv. Put User ID and password as initial password noted in step (i) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com
 - v. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Cut of date for E-voting purpose shall be Seven days prior to date of AGM i.e. 15th September 2015.
 - vi. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
 - vii. Select "EVEN" of Nilachal Refractories Limited. Members can cast their vote online from **September 18, 2015 (5:00 am) till September 21, 2015 (05:00 pm)**.
Note: e-Voting shall not be allowed beyond said time.
 - viii. Now you are ready for "e-Voting" as "Cast Vote" page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
 - x. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail (rajaghosh2002@gmail.com) with a copy marked to evoting@nsdl.co.in.
- In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
 - i. Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder - Login
 - iv. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select "EVEN" of "Nilachal Refractories Limited".
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to rajaghosh2002@gmail.com with a copy marked to evoting@nsdl.co.in
 - In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM/ EGM/ EOGM:
EVEN (Remote e-voting Event Number) --- USER ID --- PASSWORD/PIN
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.



General Information

- (i) Every Client ID No. / Folio No. shall have one e-vote, irrespective of the number of joint holders.
 - (ii) Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on cut off date.
 - (iii) E-voting right cannot be exercised by a proxy.
 - (iv) The Results of the e-voting will be declared on or after the date of the AGM i.e.24-09-2015. The declared Results, alongwith the Sarutinizer's Report, will be available on the Company's corporate website www.nilachal.in under the section 'Investor Information' and on the website of NSDL; such Results will also be forwarded to the Stock Exchange where the Company's shares are listed.
10. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance and has issued circular nos. 17/2011 dated 21.04.2011 and J8/2011 dated 29.04.2011 which states that service of notice/documents including Annual Report can be sent by e-mail to its members. To support the said green initiative, members holding shares in demat form, who have not registered their e-mail address as of now, are requested to register the same with their respective Depository Participant and members holding shares in physical form are requested to register their valid e-mail address with the S.K.Infosolutions private limited 34/1 A Sudhir Chatterjee Street, Kolkata 700 006. Telephone No. 033 2219 6797, Fax No. 033 2219 4815, mentioning their name and folio no.

Place: Kolkata
Date : August 14, 2015

By order of the Board
For Nilachal Refractories Limited
Aditya Purohit
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION SECTIONS 12, 13 OF THE COMPANIES ACT, 2013

Item: 6 : Shifting of Registered office from One State to Other State [Special Resolution]

The Company's board for its better control and efficient management has proposed for change of registered office from State of Odisha to State of West Bengal. Since majority of Shareholding is in State of Kolkata, it would be beneficial for shareholders of the Company to get the registered office in state of West Bengal. Further Majority of Directors are stationed in State of West Bengal i.e. Kolkata , so changing or bringing the registered office at Kolkata would also entail in better and efficient management and control of the affairs of the Company. Thereby more and continuous involvement of directors in company's growth , better attendance in Company meeting. In pursuance to above the registered offices of major customers of the Company is also located in Kolkata , so this would entail in better business relationship with customers and thereby resulting in long term sustainable growth of the Company . The shifting of the Registered Office of the Company shall not in any case prejudice the interest of its creditors and the shareholders. Accordingly, the Board of Directors of the Company seeks consent of the Members and recommends passing of the resolution as envisaged in the Notice.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except as a member of the Company (if any), is in any way concerned or interested in the resolution.



DIRECTORS REPORT

Dear Members

Your Directors are pleased to present the Thirty Seventh (38th) Annual Report together with the Audited accounts of your Company for the year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS

Particulars	(Rupees in Crores)	
	Year ended 31 st March 2015	Year ended 31 st March 2014
Turnover	8.30	9.67
Profit/(Loss) before taxation	(3.16)	(6.05)
Less: Tax Expense	1.22	0.59
Profit/(Loss) after tax	(1.94)	(5.46)
Add: Balance B/F from the previous year	(15.92)	(10.46)
Balance Profit / (Loss) C/F to the next year	(17.87)	(15.92)

FINANCIAL REVIEW

As can be observed from the above your Company's Operations were adversely affected mainly due to Labour Problems and industrial slowdown and in amidst of the same the company is managed with steady cautious measures. The Company's factory was declared lock out with continuous impasse being created by the workmen/labourer resulting in stoppage of work at factory and to safeguard the assets of the Company and life of its employees, the lock out was declared lock out w.e.f 24th Mach 2014 and ceased on 19th Dec 2014.

The Directors are quite hopeful that the operations of your Company will improve henceforth compared to this unforeseen difficult period.

DIVIDEND:

In view of brought forward losses, your directors are unable to recommend any dividend for the financial year ended 31st March, 2015.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013, and Article 115 of the Article of Association of the Company, Shri Niraj Jalan, Shri Bhagwati Prasad Jalan and Sri Saravanan Asokan Directors of the Company are liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer themselves for re-appointment.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return, in format MGT -9, for the Financial Year 2014-15 has been enclosed with this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 134(5) of the Companies Act, 2013, your Directors hereby confirm

- In the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2015 and of the profit /loss of the Company for that period.



- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d. The directors had prepared the annual accounts on a going concern basis.
- e. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

PARTICULARS OF EMPLOYEES

The Whole Time Director of the Company is only the receipt of remuneration from the Company as approved by Nomination and remuneration committee further the same was approved by Shareholders in the Annual General Meeting held on 30-06-2015. Your Company comes under the provisions of the rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, thereby the Wholetime Director of the Company is paid Rs 16,77,996.00 and the Company Secretary is paid Rs 5,20,000/-

FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES

The Companies Act 2013, and revised Clause 49 of the Listing Agreement stipulates the performance evaluation of the Directors including Chairman, Board and its committees Considering the said provisions the Company has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination Committee and approved by the Board.

The Criteria for performance evaluation are as under:-for CEO, WTD, Non-executive Directors.

Attendance at meeting; Participation and Contribution; Responsibility towards stakeholders; Contribution in Strategic Planning; Compliance and Governance; Participation, Updation of Knowledge; Leadership; Relationships and Communications; Resources; Conduct of Meetings.

PERFORMANCE EVALUATION OF BOARD:-

Composition and Diversity of Board; Committees of the Board; Board & Committee Meetings; Understanding of the Business of the Company and Regulatory environment; Contribution to effective corporate governance and transparency in Company's Operation; deliberation/decisions on the Company's Strategies; Monitoring and implementation of the strategies and the executive management performance and quality of decision making and Board's Communication with all stakeholders.

PERFORMANCE EVALUATION OF THE BOARD LEVEL COMMITTEES:-

The Performance and effectiveness of the Committee. Frequency and duration; spread of talent and diversity in the Committee; Understanding of regulatory environment and development; interaction with the board.

SECRETARIAL AUDIT REPORT

The Company has appointed Mr. Biswanath Khandelwal, Company Secretary in Practice as Secretarial Auditor and his report is annexed below :



B.N. Khandelwal

Saha Court

Company Secretary

5th Floor, Room No.-33, 8, Ganesh Chandra Avenue,
Kolkata - 700 013

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Nilachal Refractories Limited
P-598/599, Lewis Road Mahabir Nagar,
Kedarnath Apartment, Bhubaneswar -751002
Odisha

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Nilachal Refractories Limited (hereinafter called "the company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's Books, Papers, Minutes 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, I hereby report that in my opinion, the Company has, during the financial year ended 31st March 2015, 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:

I have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by Nilachal Refractories Limited ("the Company"), for the financial year ended on 31st March, 2015, according to the provision of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Registrars to a Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
5. The Listing Agreement entered into by Company with Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited .

During the period under review the company has complied with the provisions of Act, Rules, Regulations, Guidelines, Standards etc mentioned above.



I have relied on the representation made by the Company and its officers for system and mechanism formed by the Company for compliances under the other act, laws and regulations applicable to the Company

I further report that the Board of Directors of the Company is duly constituted with proper balance of, Non-Executive Directors and Executive Directors, Independent Directors with one Woman Director. 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 is given to all Directors to schedule the Board Meetings, agenda and related 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that 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.

Place : Kolkata
Date : 7th July, 2015

B.N. Khandelwal
Company Secretary in Practice
ACS: 1614
CP: 1148

The Company has taken a certificate as laid down under sec 92(2) of the Companies Act 2013, and rule 11(2) of Companies (Management and Administration) Rules, 2014 from Mr. B.N.Khandelwal Practising Company secretary.

ENERGY , TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE ETC

Information pursuant to section 134(3)(m) of the Companies Act, 2013 read with rule 8 of Companies (Accounts) Rules, 2014 in respect of conservation of Energy and Technology Absorption and Foreign Exchange Earning and Outgo is given in Annexure – I, forming part of this Report.

INDUSTRIAL RELATIONS

The Company has always aimed to maintain cordial relations with its industrial personnel and will continue to do in future.

ISO CERTIFICATION

Your Company is having a status of ISO 9001:2000 Certification. Your company is highly committed to the highest standard of quality.

CORPORATE GOVERNANCE

The Company is committed in maintaining the highest standards of Corporate Governance and adheres to the stipulations prescribed under clause 49 of the Listing Agreement with the Stock Exchange. A Report on Corporate Governance & Shareholders Information together with a Auditors' Certificate regarding Compliance of the same are annexed as a part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

In accordance with the Listing Agreement Requirements, Management Discussion & Analysis Report is presented in a separate section, forms a part of the Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Management continuously reviews the Internal Control Systems and procedures for the efficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial



reporting and ensures that all its assets are safeguarded and protected against losses. Internal Control System are implemented to safeguard the Company's assets from loss or damage, to keep a constant check on the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and implement accounting standards.

The board have appointed a Chartered Accountants firm who are conducting the Internal Audit of the Company . The report thereof is placed before the Audit Committee.

INSURANCE

The assets of the Company are adequately insured against the loss of fire and other risks which are considered necessary by the management.

FIXED DEPOSITS

Your company has not accepted any public deposit during the year under review.

LISTING

The equity shares of your Company continued to be listed on Bombay Stock Exchange Limited (BSE) and Calcutta Stock Exchange Limited (CSE).

CORPORATE SOCIAL RESPONSIBILITY:

Corporate Social Responsibility is the continuing commitment by the business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

As a part of its policy for corporate social responsibility, the Company undertakes a range of activities to improve living conditions of the people in the neighborhood of all its plants. In structuring its efforts to the various aspects of Corporate Social Responsibilities, the Company takes account in guidelines and statements issued by stakeholders and other regulatory bodies. Corporate Social Responsibility and Sustainable development will continue to be the leading priorities at the Company which it shall consistently strive to touch lives and makes a difference.

The Directors noted the observations made by Auditors with regard to method of accounting pursuant to Accounting Standard 15 and will give the effect of the same in coming year. Further the Directors also noted the Auditors comment on non-charging of Depreciation in accounts. Since there was no production in plant, and it was completely idle , the Company has not charged depreciation and the machines were not put to use during the year under review for a single day during the period under review as there was complete lock out in the factory from the Month of March 2014 to December 2014 and post ceasing of lock out the Company has not yet commenced production .

APPRECIATION

Your Directors record their sincere appreciation for the assistance, support and guidance provided by Company's Customer, Supplier, Government Authorities, Bankers, investors, financial institution and shareholders for their consistent support to the company. The Directors also commend the continuing commitment and dedication of the employees at all levels which has been critical for the Company's growth. The Directors look forward for their continuing support in future.

Place: Kolkata
Date: 14th August 2015

For and on behalf of the Board
Bhagwati Prasad Jalan
Chairman



ANNEXURES TO DIRECTORS' REPORT

Information under section 134 3(m) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2015

CONSERVATION OF ENERGY:

Energy conservation measures taken:

The Company is committed to conserve energy and making best use of the resources. A considerable amount of time and effort will be earmarked for conserving power across all our plants.

- Idle running of Machines has been controlled
- Operating efficiency of Shaft Kiln has been improved.
- Successful simultaneous operation of two Gas producers to fire increased green production and bring down the specific consumption of coal.

Additional investments and proposals, if any, being implemented for the reduction of consumption of energy:

No additional investment is proposed but all efforts are on to conserve energy by improving operation .

Constant reviews of operations and process is being done to identify energy saving areas.

Impact of the measures at (a) and (b) above for reduction of energy consumption an consequent impact on cost of production of goods.

With the implementation of the above measures, there will be considerable reduction in energy consumption.

Total energy consumption and energy consumption Impact of the measures at (a) and (b) above for reduction of energy consumption and energy consumption per unit of production as per Form A of the Annexure is annexed.

TECHNOLOGY ABSORPTION:

The details of the efforts made towards absorption of technology are given separately in the Report in Form B

FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange Earning : Rs. 2601095.00

Foreign Exchange Out Go : Rs. NIL



FORM- A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Power and fuel consumption:

Particulars	2014-15	2013-14	2012-13
1) Electricity			
Purchased	243528	489096	2755584
Units(K wh)	2037447	3834801	1,54,49,288
Total Amount(Rs)	8.36	7.84	5.61
Rate per unit (in Rs./Kwh)			
Own Generation			
Through Diesel Generator	-	5590	37550
Unit (Kwh)	-	1.47	2.45
Unit per Ltr. of Diesel oil	-	36.93	18.99
Cost/Unit (Rs.)	-	NA	NA
Through Steam Turbine Generator			
2) Steam Coal Grade 'B' and E used in Gas Producer.			
Quantity (Tonnes)	----	-----	9565
Total Cost (RS)	----	-----	4,51,92,150
Average Rate (Rs/MT)	----	-----	4725
3) Furnace Oil & L.D.Oil			
Quantity (KL)	----	-----	398KL
Total Amount (Rs.)	----	-----	1,55,41,119
Average Rate	----	-----	38,966
4) LSHS Other Internal Generation	N.A	NA	NA

CONSUMPTION PER UNIT OF PRODUCTION

Particulars	2014-15	2013-14	2012-13
Refractories Produced (MT)			
Electricity (KWH/Ton)	----	1197.45	20137
	----	172.49	138
Furnace oil & L.D Oil (Litres/Ton)	----	----	17.08
LSHS (Kg/Ton)	----	NA	NA
Steam Coal (Gross) Grade B & E (KG/Ton)	----	----	475
Net Coal after dust (Kg/Ton)	----	-----	338



FORM B

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R & D was carried out by the Company:

No R & D was carried out with in the meaning of applicable standard.

2. Benefits derived as a results of the above R & D

Not Applicable

3. Future plan of action:

Your Company recognizes the need for cleaner and greener environment by taking various conservation measures, reduction of emission of harmful substances in the environment, reduction in wastages and various other useful measures. It further plans to improve its productivity and quality.

4. Expenditure on R & D

Nil

Technology absorption, adaption and innovation: N.A.

Place: Kolkata
Date: 14th August 2015

For and on behalf of the Board
Bhagwati Prasad Jalan
Chairman



FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31.03.2015

PURSUANT TO SECTION 92 (3) OF THE COMPANIES ACT, 2013 AND RULE 12(1) OF THE COMPANY (MANAGEMENT & ADMINISTRATION) RULES, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L26939OR1977PLC000735
2	Registration Date	30-06-1977
3	Name of the Company	Nilachal Refractories Limited
4	Category/Sub-category of the Company	Public Company
5	Address of the Registered office & contact details	P598/ 599, Kedarnath Apartment, Mahabir Nagar, Lewis Road, Bhubaneswar, Orissa, 751002
6	Whether listed company	Listed on Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. S K Infosolutions Private Limited . Mr. Dilip Bhattacharya Cell No. 9830070123 34/1A Sudhir Chatterjee Street , Kolkata : 700 006. Telephone No. 033 2219 6797. Fax No. 033 2219 4815.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of refractory mortars, concretes etc	23911	-
2	"Manufacture of refractory bricks, blocks tiles and similar refractory ceramic constructional goods [including traded goods]"	23912	47,60,602.00
3	Manufacture of refractory ceramic products	23913	-
4	Manufacture of other refractory articles n.e.c.	23919	-
5	Coal Tar	23999	2,69,194.00
6	Wholesale of waste and scrap and other products n.e.c.	4669	34,50,398.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	"% of shares held"	"Applicable Section"
NOT APPLICABLE					

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)									
(i) Category-wise Share Holding									
Category of Share-holders	"No. of Shares held at the beginning of the year [As on 31-March-2014]"				"No. of Shares held at the end of the year [As on 31-March-2015]"				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(I) Indian									
a) Individual/ HUF	37,73,157		37,73,157	18.53%	37,72,657		37,72,657	18.53%	-0.01%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%



d) Bodies Corp.	1,06,04,959		1,06,04,959	52.08%	1,06,04,959		1,06,04,959	52.08%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)	1,43,78,116	-	1,43,78,116	70.61%	1,43,77,616	-	1,43,77,616	70.61%	0.00%
(2) Foreign									
a) NRI Individuals	-		-	0.00%	-		-	0.00%	0.00%
b) Other Individuals	-		-	0.00%	-		-	0.00%	0.00%
c) Bodies Corp.	-		-	0.00%	-		-	0.00%	0.00%
d) Any other	-		-	0.00%	-		-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	1,43,78,116	-	1,43,78,116	70.61%	1,43,77,616	-	1,43,77,616	70.61%	0.00%

B. Public Shareholding

I. Institutions									
a) Mutual Funds			-	0.00%	-		-	0.00%	0.00%
b) Banks / FI	50,000		50,000	0.25%	50,000		50,000	0.25%	0.00%
c) Central Govt			-	0.00%	-		-	0.00%	0.00%
d) State Govt(s)			-	0.00%	-		-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%	-		-	0.00%	0.00%
f) Insurance Companies			-	0.00%	-		-	0.00%	0.00%
g) FIIs			-	0.00%	-		-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%	-		-	0.00%	0.00%
i) Others (specify)			-	0.00%	-		-	0.00%	0.00%
Sub-total (B)(1):-	50,000	-	50,000	0.25%	50,000	-	50,000	0.25%	0.00%
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	17,01,326	2,000	17,03,326	8.37%	1701735	2000	17,03,735	8.37%	0.02%
ii) Overseas			-	0.00%	0	0	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	12,100	4,01,300	4,13,400	2.03%	27402	385700	4,13,102	2.03%	-0.07%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	38,16,608		38,16,608	18.74%	3816608		38,16,608	18.74%	0.00%
c) Others (specify)									
Non Resident Indians			-	0.00%	389		389	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%	-		-	0.00%	0.00%
Foreign Nationals			-	0.00%	0		-	0.00%	0.00%
Clearing Members			-	0.00%	0		-	0.00%	0.00%
Trusts			-	0.00%	0		-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%	0		-	0.00%	0.00%
Sub-total (B)(2):-	55,30,034	4,03,300	59,33,334	29.14%	55,46,134	3,87,700	59,33,834	29.14%	0.01%



Total Public (B)	55,80,034	4,03,300	59,83,334	29.39%	55,96,134	3,87,700	59,83,834	29.39%	0.01%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	1,99,58,150	4,03,300	2,03,61,450	100.00%	1,99,73,750	3,87,700	2,03,61,450	100.00%	0.00%

(ii) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2014			Shareholding at the end of the year 31-03-2015			% 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	Aarav Jalan	44,000	0.22%	0	44,000	0.22%	0	0.00%
2	Aditi Jalan	2,40,000	1.18%	0	2,40,000	1.18%	0	0.00%
3	Alok Prakash Huf	62,500	0.31%	0	62,500	0.31%	0	0.00%
4	Anubhuti Prakash	19,250	0.09%	0	19,250	0.09%	0	0.00%
5	Anupama Prakash	19,250	0.09%	0	19,250	0.09%	0	0.00%
6	Bela Jalan	1,65,000	0.81%	0	1,65,000	0.81%	0	0.00%
7	Bhagwati Prasad Jalan	5,51,084	2.71%	0	5,50,584	2.70%	0	-0.09%
8	Bhagwati Prasad & Sons	75,000	0.37%	0	75,000	0.37%	0	0.00%
9	Dp Jalan & Others (Huf)	75,000	0.37%	0	75,000	0.37%	0	0.00%
10	Ishika Jalan	44,000	0.22%	0	44,000	0.22%	0	0.00%
11	Kamal Prakash Huf	62,500	0.31%	0	62,500	0.31%	0	0.00%
12	Madhu Agarwal	19,250	0.09%	0	19,250	0.09%	0	0.00%
13	Nidhi Jalan	1,65,000	0.81%	0	1,65,000	0.81%	0	0.00%
14	Nikita Jalan	1,50,000	0.74%	0	1,50,000	0.74%	0	0.00%
15	Niraj Jalan	6,40,000	3.14%	0	6,40,000	3.14%	0	0.00%
16	Niraj Jalan & Others (Huf)	50,000	0.25%	0	50,000	0.25%	0	0.00%
17	Pankaj Jalan	3,67,000	1.80%	0	3,67,000	1.80%	0	0.00%
18	Pankaj Jalan & Others (Huf)	75,000	0.37%	0	75,000	0.37%	0	0.00%
19	Parwati Devi Jalan	1,40,000	0.69%	0	1,40,000	0.69%	0	0.00%
20	Piyush Jalan	6,65,000	3.27%	0	6,65,000	3.27%	0	0.00%
21	Raj Rani Agarwal	81,823	0.40%	0	81,823	0.40%	0	0.00%
22	Vimal Prakash Huf	62,500	0.31%	0	62,500	0.31%	0	0.00%
23	P P Suppliers & Agencies Pvt Ltd	6,67,973	3.28%	0	6,67,973	3.28%	0	0.00%
24	Jekay International Track Ltd	5,00,000	2.46%	0	5,00,000	2.46%	0	0.00%
25	Keshan Polymers Pvt Ltd	92,900	0.46%	0	92,900	0.46%	0	0.00%
26	Likewise Investment & Management Pvt Ltd	2,75,000	1.35%	0	2,75,000	1.35%	0	0.00%
27	Minicarft Enterprises Pvt Ltd	10,00,000	4.91%	0	10,00,000	4.91%	0	0.00%
28	Pushpak Dealcom Pvt Ltd	3,00,000	1.47%	0	3,00,000	1.47%	0	0.00%
29	Season Trading & Investment Pvt Ltd	15,00,000	7.37%	0	15,00,000	7.37%	0	0.00%
30	Unimark International Pvt Ltd	57,69,086	28.33%	0	57,69,086	28.33%	0	0.00%
31	Ganapati Industrial Pvt Ltd	5,00,000	2.46%	0	5,00,000	2.46%	0	0.00%



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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01/04/14		1,43,78,116	70.61%		0.00%
	Changes during the year	05/06/14	Transfer	500	0.00%		0.00%
					0.00%		0.00%
						0.00%	0.00%
	At the end of the year	31/03/15		1,43,77,616	70.61%		0.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name: Bhagwati Prasad Jalan, Director, Din No. 00551459						
	At the beginning of the year	01/04/14		5,51,084	2.71%		0.00%
	Changes during the year	30/06/14	Transfer	500	0.00%		0.00%
	At the end of the year	31/03/15		5,50,584	2.70%	5,50,584	2.70%
2	Name : Mr. Niraj Jalan, Director, Din No. 00551970						
	At the beginning of the year	01/04/14		6,40,000	3.14%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year	31/03/15		6,40,000	3.14%	6,40,000	3.14%



V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		9,00,00,000.00		9,00,00,000.00
ii) Interest due but not paid		11,93,044.00		11,93,044.00
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	9,11,93,044.00	-	9,11,93,044.00
Change in Indebtedness during the financial year				
* Addition				-
* Reduction				-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount		9,00,00,000.00		9,00,00,000.00
ii) Interest due but not paid		12,48,450.00		12,48,450.00
iii) Interest accrued but not due				-
Total (i+ii+iii)	-	9,12,48,450.00	-	9,12,48,450.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	MR. SARAVANAN ASOKAN WHOLE TIME DIRECTOR. Din No. 07019583	Total Amount in Lacs
1	Gross salary	8,06,400.00	8.06
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	- - -	- - -
5	Others, please specify		-
	HRA	3,60,000.00	3.60
	EDUCATION ALLOWANCES	2,400.00	0.02
	GRADE ALLOWANCES	1,02,000.00	1.02
	SOFT FURNISHING ALLOWANCES	24,000.00	0.24
	SPECIAL ALLOWANCES	2,04,000.00	2.04
	LEAVE TRAVEL ALLOWANCES	1,64,196.00	1.64
	MEDICAL RE-IMBURSEMENTS	15,000.00	0.15
	Total (A)	16,77,996.00	16.78
	Ceiling as per the Act		

B. Remuneration to other Directors NOT APPLICABLE . As Company is not paying except to Whole-time director .

SI No.	Particulars of Remuneration	Name of Directors	Total Amount (Rs/Lac)
1	Independent Directors	-	-
	Fee for attending board committee meetings	-	-



	Commission	-			-
	Others, please specify	-			-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-			-
	Fee for attending board committee meetings	-			-
	Commission	-			-
	Others, please specify	-			-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				16.78
	Overall Ceiling as per the Act				

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

Sl No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name			
		CEO	CFO	CS	
1	Gross salary	1677996	-	5,20,000.00	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	16,77,996.00	-	5,20,000.00	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: No PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES UNDER COMPANIES ACT 1956 AND / OR 2013

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)
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A. COMPANY

Penalty Punishment Compounding	No PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES UNDER COMPANIES ACT 1956 AND / OR 2013
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B. DIRECTORS

Penalty Punishment Compounding	No PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES UNDER COMPANIES ACT 1956 AND / OR 2013
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C. OTHER OFFICERS IN DEFAULT

Penalty Punishment Compounding	No PENALTIES /PUNISHMENT/COMPOUNDING OF OFFENCES UNDER COMPANIES ACT 1956 AND / OR 2013
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ANNEXURE – A

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Fortune of your Company which is in refractory industry is directly linked to the performance of Steel Industry as it is the largest consumer of refractory products. The other consumers of refractory products are Cement, Copper, Glass, Aluminium and Petro-chemical industries etc. which are witnessing reasonable growth, All these factors will have a very positive impact on the growth of refractory industry in near future.

Nilachal Refractories Ltd. (NRL) is having its manufacturing unit in the State of Odisha near Dhenkanal. The Plant is strategically located and the Company hopes to take advantage of the boom in Steel and Aluminium industry in the region in times to come.

OPPORTUNITY, THREATS, RISKS AND CONCERNS:

Consequent upon technology advancement in steel making processes, major opportunity lies in manufacturing of continuous casting refractories, special monolithics viz. Castables, Plastic based ramming mass and gunning materials, etc. The Company is having its vision in line to this technology change. .

Demand for refractories has increased substantially due to increased steel and Aluminium production in India. The future of the Company is bright with huge steel and aluminum manufacturing capacities being created in India especially in Odisha and Jharkhand.

Competition in refractory industry is building up. Lot of consolidation and re-organization is taking place in refractory industry. Input costs mainly the increase in cost of raw materials is also a cause of concern for refractory industry. Cost reduction measures will play an important role in keeping the unit viable in the face of stiff competition. Your Company has taken several cost reduction measures for improving operations to bring down the cost of production and is hopeful to successfully meet the challenges of competition.

Further during the year under review there have been continuous labour unrest and which took its toll on company's financial position and this is one of serious concerns of the company as on date for which remedial actions are already in place. The Company shall commence its production afresh and will be back at its dominant position. The Company at present is at consolidation stage post all these problems.

The turnover from refractories items is Rs. 84.80 lacs during the year under review.

OUTLOOK:

Production in steel industry has increased and the demand for refractory products is also increasing. NRL will not be able to survive by basing its products mix on low-end products. For a sustained growth, NRL will have to go for high value products for which your Company has started taking initiatives.

There are many small and large Steel and Aluminium Plants coming up around Dhenkanal and Odisha State on the whole which will demand high-end products. With this we estimate a large requirement of quality products with high value which should boost our total turnover as well as bottom line. In order to face this challenge, your Company emphasis on Human Resource Management and Human Resource Development which will ensure a capable and motivated team in place post settlement of all these labour issues. The Company is going to start afresh and shall have a new horizon.



INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

Information, reports, records, documents, transaction statements etc. are generated continuously in the organization and the inputs contained therein serve as a strong foundation for accelerated decision making. Great authenticity is lent to such inputs which represents the foundation for effective decisions. The Company has established proper internal control systems and procedures, which are compatible with size of its operation and business. The firm of Chartered Accountant is conducting internal audit of operations to ensure that the system are adhered to and controls are not flouted. Internal Audit Reports encompasses all aspects of operations, accounts, purchase, stores, production and marketing; all omission and deviation, if any are properly recorded for remedial action. Cost Auditor is separately appointed to audit Cost Accounts, the reports of Internal Auditors and Cost Audit Report monitors effectiveness and operational efficiency of internal control systems. The Audit Committee periodically provides valuable suggestions to improve the business processes, systems and internal controls and briefs the Board of Directors about areas of concern.

Place : Kolkata
Dated: 14th August 2015

For and on behalf of the Board of Directors
Bhagawati Prasad Jalan
(Chairman)



ANNEXURE -B

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The basic objective of corporate governance policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with the statutory requirements but to go beyond them by putting into place procedures and systems, in accordance with best practices of governance. Your Company believes that Good Corporate Governance enhances the trust and confidence of all the stakeholders. Good practice in corporate behavior helps to enhance and maintain public trust in companies and stock market.

Your Company reviews its corporate governance practices to ensure that they reflect the latest developments in the corporate arena positioning itself to conform to the best corporate governance practice. Your Company is committed to pursue excellence in all its activities and maximize its shareholders' wealth.

THE COMPANY'S CORPORATE GOVERNANCE POLICIES AND PRACTICES FOCUS ON THE FOLLOWING PRINCIPLES:-

- To recognize the respective roles and responsibilities of the Board and Management.
- To achieve the highest degree of transparency by maintaining a high degree of disclosure levels
- To ensure and maintain high ethical standards in its functioning
- To give the highest importance to investor relations
- To ensure a sound system of risk management and internal controls
- To ensure that employees of the Company subscribe to the corporate values and apply them in their conduct
- To ensure that the decision making process is fair and transparent
- To ensure that the company follows globally recognized Corporate governance practices

BOARD OF DIRECTORS :

The Company has Non-Executive Chairman (Promoter). As per clause 49 of the Listing Agreement, at least half of the Board should comprises of Non Executive Directors and if the Chairman is an Non-Executive Chairman (Promoter), at least half of the Board should consist of Independent Directors. The Board complies with clause 49. The board ensures the desired level of independence in functioning and decision making. More over all the Non – Executive Directors are eminent professionals, and bring the wealth of their professional expertise and experience to the management of the Company.

Composition of Board of Directors and details of their share holding in the Company and external directorship and membership of the Board Committees

a. The Composition of the Board of Directors

Name of the Director	Category	Relationship with Other Director	Date of Joining	No. of Board Meetings	Attendance of meetings during 2014-15		No. of Directorships and Committee Memberships/ Chairmanships	
					Board Meeting	Last AGM	Other Directorships*	Committee Membership
Mr. Bhagwati Prasad Jalan Din No. 00551459	Chairman	Father of Niraj Jalan	19th Dec 2005	7	5			
Mr. Niraj Jalan Din No.00551970	Director	Son of Bhagwati Prasad Jalan	06th May 2006	7	6		1	1
Mr. Vimal Prakash Din No. 00174915	Director		06th May 2006	7	6			1
Mr. Vijay Kumar Agarwal Din No. 00121351	Director		19th Dec 2005	7	6		1	
Mr. Srihash Chandra Mishra Din No. 01983910	Independent Director		31st Jan 2007	7	6	Yes		3
Mr. Amitava Chaudhry Din No. 0668138	CEO & Whole Time Director *		30th June 2013	7	3			
Mr. Ramesh Dhandhanis Din No.00375424	Independent Director		01st Feb 2014	7	7	Yes		3
S. Asokan Din No. 07019583	CEO & Whole Time Director		25th Nov 2014	7	2	Yes		3
S. Radhakrishnan Din No. 00009818	Independent Director		25th Nov 2014	7	2			1
Tej Bahadur Singh Din No. 02047801	Independent Director		25th March 2015	7	1			
Bindu Jain Din No. 07159504	Independent Women Director		25th March 2015	7	1			

* excluding Foreign Companies, Private Companies and Section 25 companies

Note :During the year under Mr. Amitava Chaudhry as CEO and Whole time Director has resigned citing his personal reasons.



All the Independent directors of the Company furnishes a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations were/are placed before the Board.

b. Board Procedures

i. Number of Board Meetings held, dates on which held

Seven board meetings were held during the financial year from 1st April 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

27-05-2014, 25-07-2014, 26-08-2014, 14-11-2014, 20-01-2015, 18-03-2015, 25-03-2015

ii. The information made available to the Board includes the following

- Annual Operating Plans and budgets and any updates.
- Capital budgets and any updates
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of meetings of audit committee and other committees of the board.
- Information on recruitment and remuneration of senior officers just below the board level including appointment or removal of CFO and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices which are materially important.
- Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems, if any
- Any material default in financial obligations to and by the Company or substantial non payment for goods sold by the Company.
- Any issue which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture, acquisition of companies or collaboration agreement.
- Transaction that involves substantial payment towards goodwill brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development on Human Resource/ Industrial Relation front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material nature, of investments, assets which is not in the normal course of business
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risk of adverse exchange rate movements, if material.
- Non- Compliance of any regulatory, statutory or listing requirements and shareholders services such as non - payment of dividends, delay in share transfer etc.

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non-compliance.

c. Code of Conduct for Board Members and Senior Management Personnel

The Board of Directors had adopted a Code of Conduct for the Board Members and Senior Management Personnel. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements, specifically under clause 49 of the Stock Exchange Listing Agreement of the Company. The Code is aimed at preventing any wrongdoing and promoting ethical conduct at the Board and Senior Management level.

The declaration regarding Compliance with the code of conduct as required under Clause 49 of the Listing Agreement with the Stock Exchange is appended to this report.

d. Code of Conduct for prevention of Insider Trading

The Company has adopted a code of conduct for prevention of insider trading in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992. The Company Secretary of the Company is the Compliance Officer. All the Directors and Senior Management Personnel and such other designated employees of the Company who are expected to have the access to unpublished price sensitive information relating to the Company are covered under the said code. The Directors, their relatives, senior



management personnel, designated employees etc are restricted from purchasing, selling and dealing in the shares while being in possession of unpublished price sensitive information about the Company during certain prohibited periods.

COMPOSITION OF BOARD COMMITTEES

Audit Committee	Shareholders/ Investors Grievance Committee	Remuneration and Nomination Committee	Risk Management Committee	Share Transfer Committee	Corporate Social Responsibility (CSR) Committee
Sri S.C.Mishra Chairman	Mr. Ramesh Dhandhanian Chairman	Mr. Ramesh Dhandhanian – Chairman	Mr. Niraj Jalan	Sri Saravanan Asokan – Chairman	It is not applicable to the company.
Mr. Ramesh Dhandhanian since then	Sri S.C.Mishra Member	Sri S.C.Mishra	Mr.Vimal Prakash	Sri Mukti Kishore Sahoo - Member	
Sri Saravanan Asokan Member		Mr. S.Radhakrishnan	Mr. Saravanan Asokan		

e. Code of Conduct

I Mr. Saravanan Asokan , Whole time Director and Chief Executive Officer of the Company , hereby declare that the Company's Code of Conduct has been accepted and has been complied with by all Board Members and Core Management Personnel of the Company, as required under Clause 49 of the Listing Agreement on Corporate Governance. Further all Board Members and Core Management Personnel of the Company are adhering Code of Conduct for Prevention of Insider Trading under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 and also in compliance of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015.

f. Whistle Blower Policy

The Company has formulated a whistle blower policy with a view to provide a mechanism for employees of the Company to approach the Chairman of Audit Committee . The Identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under the law. The functioning of the policy mechanism is reviewed audit committee on half yearly basis and by board on annual basis.

AUDIT COMMITTEE

A. Composition of the Audit Committee:

The Company continued to derive immense benefit from the deliberations of the Audit Committee comprising of the following Independent Directors.

- Sri S.C.Mishra , Chairman
- Sri Ramesh Dhandhanian, Member
- Sri Saravan Asokan

The Committee comprises of eminent professionals with expert knowledge in corporate finance. The Minutes of each audit committee meeting are placed before and discussed by the Board of Directors of the Company.

B. Meeting of Audit Committee

The Audit committee met five times during the year on 27-05-2014, 26-08-2014, 14-11-2014, 20-01-2015, 25-03-2015



Sl. No.	Name of the Member	Designation	Number of Meetings held	Number of Meetings attended
1	Sri S.C.Mishra	Chairman	5	5
2	Mr. Ramesh Dhandhanian.	Member	5	5
3	Sri Amitava Chaudhury * Till 25-03-2015 and Mr. S Asokan after that .	Member	5	5

C. Powers of the Audit Committee

The powers of the Audit Committee include the following:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

D. Function of Audit Committee

The role of the Audit committee includes the following

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (2AA) of section 217 of the Companies Act, 1956 (Read with Companies Act 2013).
 - ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Compliance with listing and other legal requirements relating to financial statements
 - iv. Disclosure of any related party transactions
- Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- Discussion with internal auditors any significant findings and follow up
- Reviewing, the findings of any internal investigations by the internal auditors
- Discussion with 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.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee
- The Audit Committee shall mandatorily review the following
 - i. Management discussion and analysis of financial condition and result of operation
 - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management.
 - iii. Management letters/letters of internal control weakness issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses;

NOMINATION & REMUNERATION COMMITTEE POLICY

As laid down in sec 178 of the Companies Act 2013, every Listed Company and Companies having paid up Capital of more than 10 Crores, Turnover of more than 100 Crores or outstanding loan/ borrowing or debentures or deposits



of more than 50 crores are required to form an Nomination & Remuneration Committee Policy comprising minimum three Non –Executive Directors of which majority should be Independent Directors . In the Company the Nomination & Remuneration Committee comprises of

1. Mr. Ramesh Dhandhanian – Independent Director
2. Mr. S C Mishra - Independent Director
3. Mr. S.Radhakrishnan - Independent Director

The Company is in Compliance of the same and the Committee oversees the following

- To oversee the framing, review and implementation of Company's overall compensation structure and related policies on remuneration packages payable to the WTDs/ MD & CEO and other staff including performance linked incentives, perquisites etc. with a view to attracting, motivating and retaining employees and review compensation levels vis-à-vis other company's.
- The committee shall work in close coordination with the Risk Management Committee of the Company's, in order to achieve effective alignment between remuneration

Details pertaining to constitution of the Committee and its terms of reference in brief to be provided

The key points of the Policy formulated by NRC on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as specified u/s 178(3) of the Companies Act, 2013 to be disclosed. [Applicable only to Listed Companies and select public companies]

Listing Agreement Compliance:

- The Company shall disclose the criteria for performance evaluation as laid down by NRC, in the Board Report
- Further, Weblink of familiarization programme undertaken for IDs

SHAREHOLDERS / INVESTORS COMMITTEE:

a. SHARE TRANSFER COMMITTEE:-

The Share transfer Committee was constituted to deal with matters pertaining to Share Transfer /transmission, issue of duplicate Share Certificates, approving the split and consolidation request and other materials relating to transfer and registration of Shares.

The members of the committee are Sri Saravanan Asokan , Whole time Directors and Sri Mukti Kishore Sahoo, Deputy Manager Accounts . The Committee met on following occasions 15-11-2014 and 25-03-2015.

b. SHAREHOLDERS / INVESTORS GRIEVANCES COMMITTEE

The Shareholders/Investors Grievance Committee specifically looks into issues such as redressing of shareholders' and investors' complaints such as transfer of shares, ensuring expeditious redressal.

The Shareholders/Investors Grievance Committee reviews and redress all the grievances periodically and meets as and when required . The Company have not received any grievances during the financial year 2014-15

This Committee comprises of the following two Directors.

- | | | |
|------------------------|---|----------|
| Sri Ramesh Dhandhanian | – | Chairman |
| Sri S.C.Mishra | - | Member |

The Company Secretary is designated as the Compliance Officer.

During the period under review one meeting of the Committee was held on 25th of March 2015.

SUBSIDIARY COMPANIES

As per clause 49 of the Stock Exchange Listing Agreement, your company does not have any Material non – listed Subsidiary Company whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company and its subsidiaries in the Immediately preceding accounting year. The Company's policy for material subsidiaries is on its website .



RISK MANAGEMENT

A statement indicating the development and implementation of the risk management policy of the company, identifying the elements of risks, if any, which in the opinion of the board, may threaten the existence of the company.

Moreover, in case the Company has constituted a risk management committee, then the constitution and the terms of reference of the same to be disclosed. The Risk Management Committee Comprises of :-

Mr. Niraj Jalan , Mr. Vimal Prakash and Mr. Saravanan Asokan.

DISCLOSURES

a. Related Party Transactions

There were no materially significant related party transactions, pecuniary transaction or relationships between the Company and its directors, promoters or the management that may have potential conflict with the interest of the Company at large except the details of transactions disclosed in Point no.8 of note 24 on accounts forming part of the Accounts as required under Accounting Standard 18 of the Institute of Chartered Accountants of India, and all related party transactions are negotiated on an arms length basis.

All details relating to financial and commercial transactions, where directors may have potential interest are provided to the Board and the interested Directors neither participated in the discussion nor do they vote in such matters. The Audit Committee of the Company also reviews related party transactions periodically.

b. Disclosure of Accounting Treatment

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

c. Management

The Management's Discussion and Analysis Report is appended to this report.

d. Shareholders

Disclosures regarding appointment or re-appointment of Directors

As per the Companies Act, 2013 at-least 2/3rd of the Board should consist of retiring Directors, of these at least 1/3rd are required to retire every year.

Except the Managing Director all other Directors are liable to retire by rotation as per the provisions of the Companies Act, 2013. Shri Niraj Jalan, Shri Bhagwati Prasad Jalan and Sri Saravanan Asokan Directors will retire at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

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

Their where no case or incident under the said act .

f. Communication to shareholders

The unaudited quarterly/ half yearly financial statements are announced within forty five days of the end of the quarter. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the stock exchange where the shares of the company are listed. Once the stock exchange have been intimated these results are to be published within 48 hours in two leading newspaper – One in English and one in Odia.

The audited annual results are announced with in two months from the end of the last quarter as stipulated under the Listing Agreement with the Stock Exchange. But since their was unprecedented labour/workmen agitation to make the management fulfill their extortionate demand, but the efforts of management for conciliation led no fruitful results. The management was left with no option but to declare Lock –out since their was threat to life and property of the company by the agitators. The impasse continued and the agitators blocked the entrance



to factory of those who were willing to work . Thereby not able to comply the obligation with the clause 41 of the listing agreement for the reasons beyond its control . For the purpose of submission of financial accounts, our primary books are kept and maintained at factory but the agitators made it inaccessible for us to enter and work. Once the Lock out Ceased to exit the Company complied to clause 41 and submitted the accounts to stock exchanges.

g. Investors' Grievances and Share Transfer

As mentioned earlier, the Company has a Board-level Investors Grievance Committee to examine and redress shareholders and investors' complaints. The status on complaints and share transfers is reported to the Committee. For matters regarding shares transferred in physical form, share certificates, change of address etc shareholders should send in their communications to S K Infosolutions Pvt.Ltd our registrar and share transfer agent. Their address is given in the section on shareholder information.

h. Details of Non- Compliances

The company is regular in compliant to statutory rules and regulations and no penalties or strictures have imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years. But due to in accessibility to its factory and records the Company was not able to comply with Clause 41 and hence pursuance to SEBI circular no. CIR/MRD/DSA/31/13 dated 30th September, 2013 actions have been initiated by Bombay Stock Exchange Limited against the same actions have been taken at Honourable High Court of Kolkata . The Court in its order dates 23th July 2015 , asked the Company to move to Securities Appellate Tribunal.

i. General Body Meetings

The location, date and time of Annual General Meetings held during the preceding three years are given below:

Year	Venue	Day & Date	Time
2011-12	Hotel Sun Green	Friday , 28th September 2012	12:30 PM
2012-13	Hotel Sun Green	Friday, 20th September, 2013	12:30 PM
2013-14	Hotel Pushpak	Tuesday,30th June,2015	12:30PM

j. Postal Ballots

During the year there were no ordinary or special resolutions passed by the members through Postal Ballot.

k. Proceeds from public Issue/ Preferential Allotment

During the year under review their was no issue brought out by the Company.

l. Remuneration Policy

The Company is paying only to Professional Director Mr. Saravana Asokan as a part of his yearly emolument as approved by Share Holders, other directors are not paid.

m. CEO/CFO Certification

As required by clause 49 of the Listing Agreement, the certificate from Sri S.Asokan , Chief Executive Officer , was placed before the Board of Directors at their meeting held on 14th August 2015.

n. Compliance with Corporate Governance Norms

Mandatory Requirements

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in clause 49 of the Listing Agreement with the Stock Exchange.

o. Auditors Report on Corporate Governance

As required by clause 49 of the Listing Agreement, the auditors' certificate is given as an annexure to the Directors Report



MEANS OF COMMUNICATION:

a. Financial Results:

Due to unprecedented labour/workmen agitation to make the management fulfill their extortionate demand and the efforts of management for conciliation not leading to any fruitful results. The management was left with no option but to declare Lock-out since their was threat to life and property of the company by the agitators. The impasse continued and the agitators blocked the entrance to factory of those who were willing to work. Thereby not able to comply the obligation with the clause 41 of the listing agreement for the treasons beyond its control. For the purpose of submission of financial accounts, our primary books are kept and maintained at factory but the agitators made it inaccessible for us to enter and work and all updates were sent immediately to the stock exchange with which the shares of the Company are listed.

b. Other information:

The Company has email address aditya@nilachal.in to interface with the investors.

c. Management's Discussion and Analysis Report:

The Management's Discussion and Analysis report forms part of the Annual Report.

GENERAL SHAREHOLDERS' INFORMATION:

a. AGM: Date, Time & Venue – 22nd September, 2015 at 12:30 P.M., 'Hotel Pushpak, Bhubaneswar',

As required under clause 49IV(G)(i), particulars of Directors seeking appointment/re- appointment are given in the Notice of the Annual General Meeting to be held on 22nd September, 2015.

b. Financial Year Calendar for 2015-16 (Tentative)

Results for the quarter ending 30th June, 2015	August, 2015*
Results for the quarter ending 30th September, 2015	November, 2015*
Results for the quarter ending 31st December, 2015	February, 2016*
Results for the quarter ending 31st March, 2016	May, 2016

* As the Company's factory was lock out we.f. 24th March 2015 to 19th Dec 2015, company was not able to furnish the results of first three quarters as per schedule and hence complied once the locked out ceased out at factory.

c. Date of Book Closure:

The books will be closed for the Annual General Meeting from 17th September, 2015 to 22nd September, 2015 (both days inclusive).

d. Dividend Payment :-

No dividend is recommended by the Board of Directors for the year.

e. Listing on Stock Exchanges:

The Company's equity Shares are listed on the Stock Exchange located at Mumbai and Kolkata	The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers , Dalal Street , Mumbai – 400 001
ISIN No. of company's equity Shares in Demat Form	The Calcutta Stock Exchange Association. Limited 7, Lyons Range, Kolkata – 700 001 INE416N01013
Depositories Connectivity	With Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL)

f. Stock Code:

The Calcutta Stock Exchange Association Limited	-	19120
The Bombay Stock Exchange Limited	-	502294

**g. Registrar and Transfer Agent:**

Physical & Demat: S K infosolutions Pvt.Ltd
34/1A Sudhir Chatterjee Street, Kolkata – 700 006

Share Transfer System: All the shares are being transferred and returned within 15 days from the date of receipt, so long as the documents have been cleared in all respect.

h. Distribution of Shareholding as at 31st March 2015

(i) According to Category of Holding:

Shareholders	As on 31st March, 2015		As on 31st March, 2014		As on 31st March, 2013	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Promoters	14377616	70.61	14378116	70.71	13378116	65.70
Financial Institutions	50000	0.25	50000	0.25	50000	.25
Private Corporate Bodies (Excluding Promoters)	1703735	8.37	1703326	8.37	1704502	8.37
Public	4230099	20.77	4230008	20.77	5228832	25.68
Total	20361450	100	20361450	100	20361450	100

According to Number of Shares held: 31-03-2015

Shareholding Range	No. of shareholders	% of Shareholders	No. of shares	% of Shareholding
1-500	2933	95.23	316972	1.56
501-10,00	84	2.73	64604	0.32
1001-2000	21	0.68	30350	0.15
2001-3000	1	0.03	2050	0.01
3001-4000	1	0.03	3250	0.02
4001-5000	-	-	-	-
5001-10000	-	-	-	-
10001 and above	40	1.30	19944224	97.95
Total	3080	100.00	20361450	100.00

Dematerialisation of Shares: As stated earlier, the Company's shares are listed on the Stock Exchange. As per the SEBI notifications, trading in Company's shares has been made compulsorily in dematerialised form w.e.f. 26th December, 2000 and Company's Registrar & Transfer Agent have established connectivity with NSDL & CDSL. But Subsequent to lock out being declared and company not able to comply with requirements of listing agreement, the Company's Scrip has been suspended for trading on BSE w.e.f 28th Nov 2014 and aggrieved by the order the Company has filed a writ petition against the same in Honorable High Court Of Calcutta. Pursuant to hearing of the same the Honorable Court ordered to Move to Securities Appellate Tribunal.

i. Address for Correspondence: Nilachal Refractories Limited

Registered Office : Plot No- P598/599, Kedarnath Apartment, Mahabir Nagar
Lewis Road, Bhubaneswar-751 002, Odisha

Plant Location: Nilachal Refractories Limited,
Ipitata Nagar, Dhenkanal 759 013, Odisha



CEO/CFO CERTIFICATION TO THE BOARD

**To the Board of Directors
Nilachal Refractories Limited**

Pursuant to the provisions of Clause 49(V) of the Listing Agreement, I, S.Asokan , Chief Executive Officer hereby certify that

- a. I have reviewed the Financial Statement, and the Cash Flow Statement for the year 2014-2015 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 statements that might be misleading;
 - ii. these statements present a true and fair view of the Company's affairs and are in compliance with current 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 in violation of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal control.
- d. I 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 they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours Sincerely

S.Asokan
(Chief Executive Officer)

Place : Kolkata
Dated : 14th August 2015



**AUDITORS CERTIFICATE ON COMPLIANCE WITH THE
CONDITION OF CORPORATE GOVERNANCE UNDER
CLAUSE 49 OF THE LISTING AGREEMENT**

To the members of
Nilachal Refractories Limited

We have examined the compliance of conditions of corporate governance by Nilachal Refractories LIMITED ("the Company") for the year ended 31st March, 2015, as stipulated in clause 49 of the Listing Agreement entered into by the Company with the stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the management, we certify that the Company has Complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement.

We further state that such compliance 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 P Mukhopadhyay & Co.
Chartered Accountants
Registration No.- 302085E

Subhas Mukhopadhyay
Partner
Membership No.- 050384

Place: Kolkata
Date: 31st May 2015

To
The Board of Directors
Nilachal Refractories Limited
Bhubaneswar: 751014, Odisha

Dear Sir(s)

I do hereby certify that all the members of the Board of the Directors of the Company and the senior management personnel (incl. Key Managerial Personnel) have affirmed their compliance with the code of conduct laid down by the Board of the Directors.

Further all Board Members and Core Management Personnel of the Company are adhering Code of Conduct for Prevention of Insider Trading under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 and also in compliance of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015.

This certificate is given in compliance with the requirements of the Clause 49 of the listing agreement entered into with the Stock Exchanges.

Dated: 14th August 2015
Place: Kolkata

S. Asokan
CEO & Whole time Director



P.MUKHOPADHYAY & CO.,

CHARTERED ACCOUNTANTS

12 B, NETAJI SUBHAS ROAD, KOLKATA - 700001, PHONE 22309285, 22428856.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NILACHAL REFRACTORIES LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Nilachal Refractories Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

BASIS FOR QUALIFIED OPINION

The Company has not provided for depreciation as required under sub section (2) of section 123 which constitutes a departure from the Accounting Standards referred to in Section 133 of the Act. However, in absence of necessary information being made available to us, impact of the same on the loss for the year of the company and corresponding effect on Fixed assets cannot be ascertained and quantified.

The company has made provision for gratuity and leave encashment liability as per the provisions of the relevant act and not as per actuarial valuation which constitutes a departure from the Accounting Standards referred to in Section 133 of the Act. However, in absence of necessary information being made available to us, impact of the same on the loss for the year of the company and corresponding effect on liability cannot be ascertained and quantified.



QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2015
- In the case of Statement of Profit and Loss, of the Loss for the year ended on that date; and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. 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, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the effects of the matters described in the Basis for Qualified Opinion paragraph.
 - (e) On the basis of the written representations received from the Directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) 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 filed a writ petition in Honorable High Court of Kolkata against SEBI Circular no. CIR/MRD/DSA/31/2013 dated September 30, 2013 pursuant to arbitrary actions taken for reasons beyond the control of Company.
 - ii. The Company has made no provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as there are no such contracts prevailing; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For P Mukhopadhyay & Co.
Chartered Accountants
Firm's registration number: 302085E

Subhas Mukhopadhyay
Partner
Membership number: 050384

Place: Kolkata
Date: 31st May 2015



ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF NILACHAL REFRACTORIES LTD.

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2015, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (ii) (a) The inventories have been physically verified at reasonable intervals by the management.
- (b) In our opinion and according to the information and explanations given to us the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of its inventories and no material discrepancies have been noticed on physical verification of stocks as compared to book records.
- (iii) (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the sub-clauses (a) and (b) are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.
- (v) According to the information and explanation given to us, the Company has not accepted any deposits in terms of directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) We are informed that the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products dealt in by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities but there have been few instances of delayed deposit but we are informed that there are no arrears of outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:



Financial Year to which the matter pertains	Forum where matter is pending	Amount in Laes
1999-00 to 2001-02	Additional Commissioner of Sales Tax, Central Zone, Orissa, Cuttack (Sales Tax)	72.18
2001-02	Additional Commissioner of Commercial Taxes, Range-II, Orissa, Cuttack (Entry Tax)	3.38
2002-03	Joint Commissioner of Commercial Tax, Angul Range, Angul, Orissa, (Entry Tax)	0.79
2002-03	Joint Commissioner of Commercial Taxes, Angul Range, Angul, Orissa, (sales Tax)	24.10

- (c) According to the information and explanations given to us there were no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) The Company have accumulated losses at the end of the financial year but which are less than fifty percent of its net-worth and has incurred cash losses in the financial year under review and also in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions or banks.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the term loans obtained in earlier years have been applied for the purpose for which the loan were obtained.
- (xii) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For P Mukhopadhyay & Co.
Chartered Accountants
Firm's registration number: 302085E

Subhas Mukhopadhyay
Partner
Membership number: 050384

Place: Kolkata
Date: 31st May 2015



NILACHAL REFRACTORIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2015

	Particulars	Note No.	As at 31st March, 2015 Rs. ₹	As at 31st March, 2014 Rs. ₹
A	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	2	39,73,31,600	39,73,31,600
	(b) Reserves and Surplus	3	(4,21,41,770)	(2,26,73,073)
2	Non-Current Liabilities			
	(a) Long-term borrowings	4	84,540	2,08,081
	(b) Other long-term liabilities	5	17,52,222	12,00,090
3	Current Liabilities			
	(a) Short-term borrowings	6	19,12,51,550	14,69,38,887
	(b) Trade Payables	7	8,71,01,268	9,01,13,874
	(c) Other current liabilities	8	3,54,34,165	5,10,29,311
	TOTAL		67,08,13,577	66,41,48,772
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	9,90,15,065	9,90,15,064
	(ii) CWIP		31,47,03,511	31,47,03,511
	(b) Deferred tax assets (net)		4,66,98,236	3,42,08,912
	(c) Long term loans and advances	10	98,29,057	1,02,37,479
	(d) Other non-current assets	11	2,88,443	1,29,398
2	Current assets			
	(a) Inventories	12	14,31,33,000	14,49,40,881
	(b) Trade receivables	13	4,78,71,581	5,26,91,138
	(c) Cash and cash equivalents	14	15,44,134	14,09,518
	(d) Short-term loans and advances	15	77,30,550	68,12,871
	TOTAL		67,08,13,577	66,41,48,772
	<i>See Significant Accounting Policies & Notes forming part of the financial statements</i>	1		

In terms of our report attached.

For and on behalf of the Board of Directors

For P Mukhopadhyay & Co.
Chartered Accountants
(Registration Number : 302085E)

S. Asokan
Whole Time Director Din No. 07019583

Subhas Mukhopadhyay
Membership no : 050384
Partner

Aditya Purohit
Company Secretary

Place: Kolkata
Date: 31-May 2015

Niraj Jalan
Director
Din No.00551970

Vimal Prakash
Director
Din No. 00174915



NILACHAL REFRACTORIES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	For the year ended 31st March, 2015 Rs. ₹	For the year ended 31st March, 2014 Rs. ₹
A CONTINUING OPERATIONS			
1 Revenue from operations (gross)	16	84,80,194	10,55,59,783
Less: Excise duty		1,70,553	88,03,333
Revenue from operations (net)		83,09,641	9,67,56,450
2 Other Income	17	12,00,695	18,09,000
3 Total Revenue (1+2)		95,10,336	9,85,65,450
4 Expenses			
Cost of materials consumed	18	-	2,90,99,454
Purchases of stock in Trade	19	14,85,289	17,74,246
Changes in inventories of finished goods, work-in-progress and stock-in-trade	20	4,13,170	4,30,17,902
Employee benefits expense	21	33,98,510	3,63,38,468
Finance costs	22	2,12,87,965	1,46,53,006
Depreciation and amortisation expense	9	-	60,78,430
Other expenses	23	1,46,21,895	2,81,85,728
Total Expenses		4,12,06,829	15,91,47,234
5 Profit/ (Loss) before tax (3-4)		(3,16,96,493)	(6,05,81,784)
6 Tax expense:			
(a) Current tax for current year		0	0
(b) Current tax expense relating to prior years		2,61,528	0
(c) Net Current tax expense		2,61,528	0
(d) Deferred tax		(1,24,89,324)	(59,23,697)
7 Profit/(Loss) from operations (5+6)		(1,94,68,697)	(5,46,58,087)
8 Profit/(Loss) for the year (6+7)		(1,94,68,697)	(5,46,58,087)
9 Earnings per share (of ` 10/-each)			
(a) Basic		(0.96)	(2.68)
(b) Diluted		(0.96)	(2.68)
See Significant Accounting Policies & Notes forming part of the financial statements	1		

In terms of our report attached.

For P Mukhopadhyay & Co.
Chartered Accountants
(Registration Number : 302085E)

Subhas Mukhopadhyay
Membership no : 050384
Partner

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director Din No. 07019583

Aditya Purohit
Company Secretary

Place: Kolkata
Date: 31-May 2015

Niraj Jalan
Director
Din No.00551970

Vimal Prakash
Director
Din No. 00174915



NILACHAL REFRACTORIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

		For the Year ended 31st March, 2015 Amount (₹)		For the Year ended 31st March, 2014 Amount (₹)	
A.	Cash Flow from operating Activities				
	Net Profit/(Loss) before tax		(3,16,96,493)		(6,05,81,784)
	Adjustment for :				
	Depreciation			60,78,430	
	Interest Received	(3,92,458)		(3,51,481)	
	Interest Paid	2,12,87,965	2,08,95,507	1,46,53,006	2,03,79,955
	Operating Profit before working Capital Changes		(1,08,00,986)		(4,02,01,829)
	Adjustment for :				
	Decrease/ (increase) in trade and other Receivable	48,19,558		23,14,880	
	Decrease/ (increase) in Loans and Advances (Excluding Income Tax)	(6,73,444)		25,74,637	
	Decrease/ (increase) in Inventories	18,07,881		6,03,12,527	
	(Decrease)/ increase in Trade and other payables including Deposits	(1,80,55,620)	(1,21,01,625)	(2,54,26,627)	3,97,75,417
	Cash Generated from Operations		(2,29,02,611)		(4,26,412)
	Taxes (Paid)/ Refund		(2,56,385)		(28,532)
	Net Cash (used)/ from operating Activities		(2,31,58,996)		(4,54,944)
B.	Cash Flow from Investing Activities				
	Purchase of fixed assets				
	Sale of Fixed Assets				
	Capital Work in Progress			(1,65,67,497)	
	Interest Received	3,92,458	3,92,458	3,51,481	(1,62,16,016)
	Net Cash (used)/ from Investing Activities		3,92,458		(1,62,16,016)
C.	Cash Flow from Financing Activities				
	Proceeds from Issues of Equity Shares with premium			9,32,19,100	
	Secured Loan Recd/ (paid)	(56,219)		(2,96,584)	
	Unsecured Loan (Repaid)/Received	4,42,45,341		(6,94,40,912)	
	Interest Paid	(2,12,87,965)		(1,46,53,006)	
	Dividend Paid (includes Tax paid on Dividend)		2,29,01,157		88,28,598
	Net Cash (used)/ from Financing Activities		2,29,01,157		88,28,598
	Net Increase/ (decrease) in Cash and Cash equivalents (A+B+C)		1,34,619		(78,42,362)
	Opening Cash and Cash equivalents		14,09,515		92,51,877
	Closing Cash and Cash equivalents		15,44,134		14,09,515

In terms of our report attached.

For P Mukhopadhyay & Co.
Chartered Accountants
(Registration Number : 302085E)

Subhas Mukhopadhyay
Membership no : 050384
Partner

Place: Kolkata
Date: 31-May 2015

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director Din No. 07019583

Aditya Purohit
Company Secretary

Niraj Jalan
Director
Din No.00551970

Vimal Prakash
Director
Din No. 00174915



NILACHAL REFRACTORIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 : Share Capital

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares	Rs	No. of shares	Rs.
(a) Authorised				
Equity shares of Rs10 each with voting rights	2,95,00,000	29,50,00,000	2,95,00,000	29,50,00,000
11% redeemable cumulative Preference Shares of Rs.100/- each	15,000	15,00,000	15,000	15,00,000
0% redeemable preference shares of Rs100/- each	19,35,000	19,35,00,000	19,35,000	19,35,00,000
	3,14,50,000	49,00,00,000	3,14,50,000	49,00,00,000
(b) Issued				
Equity shares of Rs10 each with voting rights	2,04,00,000	20,40,00,000	2,04,00,000	20,40,00,000
11% redeemable cumulative Preference Shares of Rs.100/- each	15,000	15,00,000	15,000	15,00,000
0% redeemable preference shares of Rs100/- each	19,22,191	19,22,19,100	19,22,191	19,22,19,100
Total	2,23,37,191	39,77,19,100	2,23,37,191	39,77,19,100
(c) Subscribed & fully paid up				
Equity shares of Rs10 each with voting rights	2,03,61,450	20,36,14,500	2,03,61,450	20,36,14,500
11% redeemable cumulative Preference Shares of Rs.100/- each	14,980	14,98,000	14,980	14,98,000
0% redeemable preference shares of Rs100/- each	19,22,191	19,22,19,100	19,22,191	19,22,19,100
Total	2,22,98,621	39,73,31,600	2,22,98,621	39,73,31,600

The rights, preference and restrictions including restrictions on the distribution of dividends and the repayment of capital :
 The Company have two class of shares i.e. Equity & Preference carrying a nominal value of Rs 10 each and Rs 100 each respectively. Each holder of equity Shares is entitled to one vote per share. The Company shall declare and pay dividend in Indian Rupees. When the company have distributable profit, the company shall propose dividend, subject to the approval of shareholders in annual general meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Also the preference shares shall be redeemed only when the company have distributable profits which would otherwise be available for dividend or out of proceeds of fresh issue of shares made for the purpose of redemption, hence for the year under review the shares shall not be redeemed.

"11% Redeemable Cumulative Preference shares were redeemable before September 1995 by giving six months notice by such redemption to the holders thereof. However, as per the terms of the Sanctioned Rehabilitation Scheme, the preference Shares are to be continued with roll over option for another 5 years and no interest is payable during such rehabilitation period. Accordingly, no provision for any interest has been made during the year. Due to non-availability of profit, no provision has been made for payment of dividend to the Preference Shareholders; cumulative from the date of allotment i.e 20th September 1980 up to the due date of redemption amounting to Rs 41.60 Lacs or the dividend payable thereafter. Further 0% Redeemable Preference Shares shall be subject to redemption when the Company has distributable profit. Hence, for the year under review the Shares shall not be redeemed."

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

Class of shares / Name of shareholder	As at 31st March, 2015		As at 31st March, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Unimark International Pvt.Ltd	57,69,086	28.33	57,69,086	28.33
Season Trading & Investment Pvt.Ltd	15,00,000	7.37	15,00,000	7.37
Sushil Kumar Agarwal	12,18,000	5.98	12,18,000	5.98
Vijay Kumar Agarwal	12,18,000	5.98	12,18,000	5.98
Eynthia Tie-up Pvt.Ltd	17,00,000	8.35	17,00,000	8.35



Redeemable Preference Shares	As at 31st march, 2015		As at 31st march, 2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
11 % redeemable preference shares of Rs. 100/- each				
General Insurance Corporation of India	5000	33.38	5000	33.38
National Insurance Co. Ltd	5000	33.38	5000	33.38
United India Insurance Co. Ltd	4855	32.41	4855	32.41
0% redeemable cumulative Preference Shares of Rs.100/- each				
Chetna Distributors Pvt Ltd	1,00,000	10.10%	1,00,000	10.10%
Eynthia Tie Up Pvt Ltd	2,83,936	28.68%	2,83,936	28.68%
Unimark International Pvt.Ltd	3,30,000	33.33%	3,30,000	33.33%
Metropolitan Commercial Pvt Ltd	50,000	5.05%	50,000	5.05%
Jeekay Rollings Mill Pvt Ltd	70,000	7.07%	70,000	7.07%
PP Suppliers & Agencies Pvt Ltd	65,000	6.57%	65,000	6.57%
Pushpak Dealcom Pvt Ltd	77,000	7.78%	77,000	7.78%
Ganpati Industrial Pvt.Ltd.	3,02,276	30.53%	3,02,276	30.53%
Ganpati RV Tallers Algeria Track Pvt.Ltd	3,80,280	38.41%	3,80,280	38.41%
Rudraksh Belcom Pvt. Ltd	1,62,627	16.43%	1,62,627	16.43%

Notes:- i. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	Opening Balance	Fresh Equity Share Issue during the year	Closing Balance
Equity Shares with Voting Rights Year ended 31.3.15, No. of shares	2,03,61,450	NIL	2,03,61,450
	2,03,61,450		2,03,61,450

Note 3 : Reserve & Surplus

Particulars	As at 31st March, 2015		As at 31st March, 2014	
	Rs.		Rs.	
(a) Central Subsidy				
Opening balance		15,00,000		15,00,000
Add: Additions/transfers during the year		-		-
Less: Utilised/transferred during the year		-		-
Closing balance		15,00,000		15,00,000
(b) Share Premium				
Opening balance		13,50,00,000		13,50,00,000
Add: Additions/transfers during the year		-		-
Less: Utilised/transferred during the year		-		-
Closing balance		13,50,00,000		13,50,00,000
(c) Share Forfeiture Money				
38550 Number of Equity Shares with voting rights		1,20,125		1,20,125
(d) Surplus/(Deficit) in Statement of Profit/ Loss				
Opening balance		(15,92,93,198)		(10,46,35,111)
Add: Profit/(Loss) for the year		(1,94,68,697)		(5,46,58,087)
Amounts transferred from:				
General reserve		-		-
Less: Dividends proposed				
Transferred to:				
General reserve		-		-
Other reserves		-		-
Closing balance		(17,87,61,895)		(15,92,93,198)
Total		(4,21,41,770)		(2,26,73,073)



Note 4: Long Term Borrowings

Particulars	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
(a) Long Term Maturities of finance lease obligations		
Secured	84,540	2,08,081
Total	84,540	2,08,081

Notes:

(i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

Particulars	Terms of repayment and security	As at 31st march, 2015		As at 31st march, 2014	
		Secured (Rs.)	Unsecured (Rs.)	Secured (Rs.)	Unsecured (Rs.)
Long Term Maturities of finance lease obligations: Canara Bank	Payable in equated monthly installment	84,540	0	2,08,081	-
Total		84,540	0	2,08,081	-

Note 5 : Other long-term liabilities

Particulars	As at 31st march, 2015 (Rs.)	As at 31st march, 2014 (Rs.)
(a) Others:		
(i) Trade / security deposits received	-	-
(ii) Provision on Leave encashment & Gratuity Payable	1,00,868 16,51,354	1,92,568 10,07,522
Total	17,52,222	12,00,090

Note 6 : Short Term Borrowings

Particulars	As at 31st march, 2015 (Rs.)	As at 31st march, 2015 (Rs.)
(a) Loans repayable on demand From banks		
Cash Credit - Secured	9,12,48,450	9,11,93,044
(b) Term Loan From Banks Secured (Refer Notes)		
(c) Loans and advances from related parties Unsecured	9,96,01,940	5,53,56,599
(d) Long Term Maturities lease finance Secured	4,01,160	3,89,244
Total	19,12,51,550	14,69,38,887

Notes:

(i) Details of security for the secured short term borrowings

Particulars	Terms of repayment and security	As at 31st March, 2015	As at 31st March, 2014
		Secured (Rs.)	Secured (Rs.)
Loans repayable on demand from banks Canara Bank- Cash Credit	Secured by Book Debt, hypothecation of stock, first charge on the fixes assets of the company both present and future and personal gurantee of five directors.	9,12,48,450	9,11,93,044
Total		9,12,48,450	9,11,93,044

Notes:



(ii) Details of terms of repayment for the other short-term borrowings

Particulars	Terms of repayment and security	As at 31st March, 2015		As at 31st March, 2014	
		Secured (₹)	Unsecured (₹)	Secured (₹)	Unsecured (₹)
Loans and advances from related parties:					
Bhumika Vintrade Pvt Ltd			1,18,00,000		0
Keshan Polymers (P) Ltd.			0		5,07,90,928
Capricon Complex (P) Ltd			40,00,000		0
P P Suppliers (P) Ltd			13,01,940		0
Pushpak Dealcom (P) Ltd			26,00,000		0
Subhankar Mercantile (P) Ltd			24,00,000		0
Vimal Prakash			7,75,00,000		45,65,671
Total			9,96,01,940		5,53,56,599

Note 7 : Trade payables

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
(a) Trade payables:		
Other than acceptances		
Micro, Small and Medium Enterprises		
Others		
Total	8,71,01,268	9,01,13,874

Note 8 : Other current liabilities

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
(a) Other payables:		
(i) Statutory remittances	2,83,339	33,75,719
(ii) Advance from customers	3,14,77,663	3,17,23,983
(iii) Compensation Payable	-	1,21,85,984
(iv) Others - Book Overdraft	78,629	1,49,091
(b) Creditors for Capital Work-in-Progress	35,94,534	35,94,534
Total	3,54,34,165	5,10,29,311

Note 9 : Fixed Assets

A. Tangible assets	Gross block					
	"Balance as at 1st April, 2014"	Additions	Disposals	Borrowing cost capitalised	Other adjustments	"Balance as at 31st March, 2015"
	₹	₹	₹	₹	₹	₹
(a) Land						
Freehold	18,46,851	-	-	-	-	18,46,851
Leasehold *	1,55,000	-	-	-	-	1,55,000
(b) Buildings	2,06,19,700	-	-	-	-	2,06,19,700
(c) Plant and Equipment	15,44,89,105	-	-	-	-	15,44,89,105
(d) Furniture and Fixtures	61,17,126	-	-	-	-	61,17,126
(e) Vehicles	64,16,789	-	-	-	-	64,16,789
Total	18,96,44,571	-	-	-	-	18,96,44,571



	Previous year	18,96,44,571	-	-	-	-	18,96,44,571
B.	Capital Work in Progress	31,47,03,511					31,47,03,511
	Previous year	29,81,36,014	1,65,67,497				31,47,03,511
A.	Tangible assets	Accumulated depreciation and impairment			Net block		
		"Balance as at 1st April, 2014"	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	"Balance as at 31st March, 2015"	"Balance as at 31st March, 2015"	"Balance as at 31st March, 2014"
		₹	₹	₹	₹	₹	₹
	(a) Land						
	Freehold	-	-	-	-	18,46,851	18,46,851
	Leasehold	-	-	-	-	1,55,000	1,55,000
	(b) Buildings	1,45,05,320	-	-	1,45,05,320	61,14,380	61,14,380
	(c) Plant and Equipment	6,66,22,864	-	-	6,66,22,864	8,78,66,241	8,78,66,241
	(d) Furniture and Fixtures	52,29,814	-	-	52,29,814	8,87,312	8,87,312
	(e) Vehicles	42,71,508	-	-	42,71,508	21,45,281	21,45,281
	Total	9,06,29,506	-	-	9,06,29,506	9,90,15,065	9,90,15,065
	Previous year	8,45,51,076	60,78,430	-	9,06,29,506	9,90,15,064	10,50,93,496
B.	Capital Work in Progress	-	-	-	-	31,47,03,511	31,47,03,511
	Previous year	29,81,36,014	1,65,67,497			31,47,03,511	29,81,96,013

* Note :- The leasehold land was acquire in 1980 for a term of 99 years.

Note 10 : Long-term loans and advances

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
(a) Capital Advances		
Advance for Capital goods	73,80,469	73,80,469
	73,80,469	73,80,469
(b) Security deposits:		
Unsecured, considered good	23,13,622	23,91,445
	23,13,622	23,91,445
(c) Advance income tax	0	3,30,599
(e) Other loans and advances		
(Trustees to Employee gratuity fund:		
Unsecured, considered good	1,34,966	1,34,966
	1,34,966	4,65,565
Total	98,29,057	1,02,37,479

Note 11 : Other non-current assets

Particulars	As at 31st March, 2015 (Rs.)	As at 31st March, 2014 (Rs.)
(a) Accruals:		
(i) Interest accrued on deposits	2,26,554	67,509
(b) Others:		
(i) Compensation on Land Acquired	61,889	61,889
Total	2,88,443	1,29,398

Government of Orissa had acquired 8.73 acres of unutilized portion of land of the Company for which the cost of the land has been proportionately reduced. Since the Government had not intimated the acquisition compensation of the land, surplus/ deficit will be recognized in revenue on receipt of such intimation from the Government.. It was found out that the relevant department of the Government of Orissa has still not recorded the acquisition in their record.



Note 12 : Inventories (At lower of cost and net realisable value)

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
(a) Raw Materials (At Cost)	1,55,30,197	1,69,24,908
(b) Work-in-progress (At Estimated Cost)	4,17,63,792	4,17,63,792
(c) Finished goods (At lower of cost or net realisable value)	8,03,38,826	8,06,80,196
(d) Packing Materials (At Cost)	22,30,393	22,30,393
(d) Stores & spares (At Cost)	29,96,092	29,96,092
(f) By Products (At net realisable value)	2,73,700	3,45,500
Total	14,31,33,000	14,49,40,881

Notes: Details of inventory of work-in-progress

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Refractories Brick	4,17,63,792	4,17,63,792
Total	4,17,63,792	4,17,63,792

Note 13 : Trade receivables

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	4,71,88,346	5,21,26,504
Less: Provision for doubtful advances	(10,02,537)	(10,02,537)
	4,61,85,809	5,11,23,967
Other Trade Receivable		
Unsecured, considered good	16,85,772	15,67,171
	16,85,772	15,67,171
Total	4,78,71,581	5,26,91,138

Note: Trade Receivable include debts due from:

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
Private companies in which any director is a director or member:		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Jekay International Track (P) Ltd.	2,87,163	2,87,163
Others		
- NRL Clayburn Ltd		
- Associated Industrial Furnaces (P) Ltd		
- Jiwanram Sheodutrai Pvt Ltd	26,600	26,600

Note 14 : Cash and cash equivalents

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
(a) Cash in hand	1,05,813	41,092
(b) Balances with banks		
(i) In current accounts	2,37,256	3,39,244
(ii) In EEFC accounts	5,62,663	4,04,530
(iii) In deposit accounts	6,38,402	6,24,652
Total	15,44,134	14,09,518

Notes:

- All the above balances can be categorised as Cash and Cash Equivalents as per AS 3.
- Balances with banks include deposits amounting to ₹ 344652 as margin monies.


Note 15 : Short-term loans and advances

Particulars	As at 31st March, 2015 (₹)	As at 31st March, 2014 (₹)
(a) Security deposits:		
Unsecured, considered good	50,000	50,000
	50,000	50,000
(b) Loans and advances to employees:		
Unsecured, considered good	8,39,803	4,57,565
Less: Provision for doubtful advances	(91,049)	(91,049)
	7,48,754	3,66,516
(c) Prepaid expenses- Unsecured, considered good	1,84,190	1,76,766
(d) Balances with government authorities		
Unsecured, considered good		
(i) Sales Tax Recoverable	12,58,441	12,58,441
(ii) Cenvat credit receivable	25,96,440	22,28,960
(iii) VAT tax credit receivable	2,03,769	2,03,769
(iv) Export Benefit Receivable	18,92,307	18,92,307
(v) Income Tax Refundable	3,65,526	1,62,253
(vi) Advance Payment of Income Tax	1,22,184	-
(e) Others - Advance to creditors		
Unsecured, considered good	3,08,939	4,73,859
	69,31,796	63,96,355
Total	77,30,550	68,12,871

Note : Sales Tax Recoverable include amount of ₹ 6.53 lacs (Previous Year ₹ 6.53 Lacs) collected by Sales Tax authorities against demand not acknowledged by the Company.

Note 16: Revenue from operations

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(a) Sale of products (Refer Note (i))	50,29,796	9,81,23,149
(b) Other operating revenues (Refer Note (ii))	34,50,398	74,36,634
	84,80,194	10,55,59,783
Less:		
(c) Excise duty	(1,70,553)	(88,03,333)
Total	83,09,641	9,67,56,450
Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(i) Sale of products comprises :		
Manufactured goods		
Refractory Bricks	21,59,507	4,33,89,751
Coal Tar	2,69,194	-
Mortar	-	5,44,54,053
Total-Sale of manufactured products	24,28,701	9,78,43,804
Traded goods		
Refractory Bricks & Castable	26,01,095	2,79,345
Total-Sale of traded products	26,01,095	2,79,345
Total Sale of Products	50,29,796	9,81,23,149
(ii) Other operating revenues		
Sale of scrap	34,50,398	74,36,634
Total-other operating revenues	34,50,398	74,36,634



Note 17: Other Income

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(a) Interest income (Refer Note (i))	3,92,458	3,51,481
(b) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii))	8,08,237	14,57,519
Total	12,00,695	18,09,000

Notes:

Particulars	Figures for the Year Ending 31st March 2015 (Rs)	Figures for the Year Ending 31st March 2014 (Rs)
(i) Interest income comprises:		
Interest from banks on:		
deposits	3,62,940	3,51,481
I T Refund	29,518	-
Total-Interest income	3,92,458	3,51,481
(ii) Other non-operating income comprises:		
Liabilities/ provision written back	5,32,387	-
sundry Balances Writtenoff	18,849	-
Miscellaneous income-Insurance Claim Received	2,57,001	14,57,519
Total-other operating revenues	8,08,237	14,57,519
Total	12,00,695	18,09,000

Note 18: Cost of Materials Consumed

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
Opening stock	1,69,24,908	3,35,24,852
Add: Purchases	-	1,24,99,510
	1,69,24,908	4,60,24,362
Less : Cost of Material Sold	(13,94,711)	-
	1,55,30,197	4,60,24,362
Less: Closing stock	1,55,30,197	1,69,24,908
Cost of material consumed	-	2,90,99,454
Material consumed comprises:		
Plastic Clay	-	3,82,798
Raw Non-Plastic Clay	-	6,34,467
Crog	-	35,50,205
Calcined Clay	-	19,25,306
Silminite Sand	-	17,20,387
Raw Pyrophyllite Lumps	-	26,66,227
Dry Impervious Material	-	22,36,054
Others	-	81,94,538
Coal & Fuel	-	77,89,471
Total	-	2,90,99,453

Note 19: Purchase of Stock in trade

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
Refractory Bricks & Castable	14,85,289	17,74,246
Total	14,85,289	17,74,246


Note 20: Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
Inventories at the end of the year:		
Finished goods	8,03,38,826	8,06,80,196
Work-in-progress	4,17,63,792	4,17,63,792
By-Products	2,73,700	3,45,500
	12,23,76,318	12,27,89,488
Inventories at the beginning of the year:		
Finished goods	8,06,80,196	10,21,42,525
Work-in-progress	4,17,63,792	6,34,63,365
By-Products	3,45,500	2,01,500
	12,27,89,488	16,58,07,390
Net (increase)/decrease	4,13,170	4,30,17,902

Note 21: Employee Benefits Expense

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(a) Salaries, Wages and other allowances	32,81,983	1,32,73,214
(b) Contribution to provident and other funds	65,739	8,00,072
(c) Staff welfare expenses	9,651	3,33,168
(c) Retrenchment Compensation	41,137	2,19,32,014
Total	33,98,510	3,63,38,468

Note 22: Finance Cost

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(a) Interest expense on:		
(i) Borrowings	1,48,90,848	1,46,53,006
(ii) unsecured loan	63,97,117	-
Total	2,12,87,965	1,46,53,006

Note 23: Other Expenses

Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
Consumption of stores and spare parts	-	5,25,235
Consumption of Packing Material	-	20,93,318
Cost of Material Sold	13,94,711	-
Electricity and Power	21,54,523	36,50,544
Manufacturing Expenses	-	37,62,880
Consumption of Moulds	-	48,332
Repairs & Maintenance :		
To Plant & Machinery	3,400	11,59,503
To Building	36,094	95,258
To Others	5,18,161	3,30,407
Carriage outward	91,500	9,67,368
Sales Promotion	11,284	29,398
Advertisement Charges	-	39,112
Rent	5,35,668	10,72,001
Bank Charges	4,75,835	5,02,090
Royalty Paid	-	10,92,873
Rates & Taxes	56,180	-
Exchange Fluctuation Loss	1,51,025	12,37,157
Telephone Charges	1,37,432	3,22,150
Insurance charges	1,18,928	2,58,029
Computer Expenses	22,090	47,827
Books & Periodicals	5,717	7,130
Printing & Stationery	19,457	1,28,220
Filing Fees	7,91,026	19,000
Postage & Courier Charges	11,751	1,99,104



Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
Professional & Consultancy Charges	4,56,321	4,53,584
Conveyance, Tour & Travels	25,70,966	40,12,671
Prior Period Expenses	12,709	8,92,490
Payment to auditors (Refer Note (i))	40,000	40,000
Legal Charges	43,850	1,31,657
Listing Fees	1,12,360	71,912
Subscription Fees & Expenses	21,862	5,61,402
Testing Fees	-	40,800
Watch & Ward	27,93,534	24,61,836
Office Maintenance	4,90,809	2,21,775
Miscellaneous Expenses	15,44,702	17,10,665
Total	1,46,21,895	2,81,85,728
Notes :		
Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(i) Payment to the auditors comprises (net of service tax, input credit, where applicable)		
As auditors- statutory audit	40,000	40,000
For taxation matters	-	-
For company law matters	-	-
For management services	-	-
For other services	-	-
Certification Fees	-	-
Total	40,000	40,000
Particulars	Figures for the Year Ending 31st March 2015 (₹)	Figures for the Year Ending 31st March 2014 (₹)
(ii) Details of prior period items (net)		
Prior period expenses	12,709	8,32,490
Total	12,709	8,32,490

Note 24 Additional information to the financial statements

Note	Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
24.1	Contingent Liabilities	₹ (in lacs)		₹ (in lacs)	
	Sales Tax	96.28		96.28	
	Water Charges	7.14		7.14	
	Suit Pending against the Company	9.94		9.94	
	Orissa Entry Tax	4.17		4.17	
24.2	Commitments	₹ (in lacs)		₹ (in lacs)	
	Estimated amount of contract remaining to be executed on Capital account and not provided for Tangible assets	1,238.93		1,238.93	
24.3	Details of unhedged foreign currency Exposures	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
		Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)	Receivable/ (Payable)
		₹	\$	₹	\$
	Payable in foreign exchange	(19,683,034)	(314,476)	(16,997,773)	(487,841)
	Receivable in foreign exchange	-	-	2,089,740	34,861
		₹	€	₹	€
	Payable in foreign exchange	(1,885,362)	(27,922)	(2,747,848)	(34,782)



Note	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
24.4	Value of imports calculated on CIF basis :	₹	₹
	Raw materials	-	6,141,908
24.5	Expenditure in foreign currency :	For the year ended 31st March, 2015	For the year ended 31st March, 2014
		₹	₹
	Raw Materials	-	600,750
	Travelling	-	-
	Royalty	-	-
	Advance for Capital Goods	-	-
	Other matters	-	-

24.6	Details of consumption of imported and indigenous items :	For the year ended 31st March, 2015	
		₹	%
	Imported	-	-
	Raw materials	(2,236,054)	(8)
	Spare Parts	-	-
		(-)	(-)
	Total	-	-
		(2236054)	(8)
		For the year ended 31st March, 2015	
		₹	%
	Indigenous	-	-
	Raw materials	(26,863,399)	(92)
	Spare parts	-	-
		(525,235)	(100)
	Total	-	-
		(27,388,634)	(100)

Note: Figures / percentages in brackets relates to the previous year

24.7	Earnings in foreign currency :	For the year ended 31st March, 2015 (₹)	For the year ended 31st March, 2014 (₹)
	Export of finished goods calculated on FOB basis	2,601,095	5,039,211
	Advance from Customer*	-	-

*Cash Basis

Note: Related party transactions

24.8	Details of related parties	
	Description of relationship	Names of related parties
	Ultimate Holding Company	N.A.
	Holding Company	N.A.
	Ultimate Holding Company	N.A.
	Subsidiaries	N.A.
	Fellow Subsidiaries (to be given only if there are transactions)	N.A.
	Associates	NA
	Key Management Personnel (KMP)	Mr.Vimal Prakash, Mr.Vijay Kumar Agarwal, Mr. S Asokan, Mr.Aditya Purohit



24.8	Details of related parties	
	Relatives of KMP	B P Jalan & Sons , Hasti Prasad Jalan and Others ,Arav Jalan Trust,Ishika Jalan Trust, Aditi Jalan, Alok Prakash,Bela Jalan, Nidhi Jalan , Pankaj Jalan , Parwati Devi jalan , Piyush Jalan , D P Jalan and Others , Kamal Praksh (HUF),Niraj Jalan & Others (HUF),Pankaj Jalan & Others (HUF),P Jalan & Others,Raj Rani Agarwal,Vimal Praksh (HUF) and Mr.Sushil Kumar Agarwal
	Company in which KMP / Relatives of KMP can exercise significant influence	Jekay International Track Pvt. Ltd,Keshan Polymers (P) Ltd, NRL Clayburn Ltd, P.P Suppliers & Agencies Pvt. Ltd,Pushpak Dealcom Pvt. Ltd.,Unimark International Pvt. Ltd.,

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31st March, 2015 and balances outstanding as at 31st March, 2015:

24.8	Particulars	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence
	Sales				
	Associated Industrial Furnace Ltd	0 (109105)			
	NRL Clayburn Ltd	0 (32876047)			
	Remuneration				
	Amitava Choudhary		0 (2241065)		
	S Ashokan		1498800 (1498800)		
	A Purohit		103476 (333410)		
	Particulars	Associates	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence
	Interest on Loan Taken				
	Jekay International Track Pvt. Ltd.				9795 (NIL)
	Keshan Polymers (P) Ltd.				4960774 (NIL)
	P.P Suppliers & Agencies Pvt. Ltd.				357542 (NIL)
	Unimark International Pvt. Ltd.				478082 (NIL)
	Vijay Kumar Agarwal		0 (269045)		
	Loan Taken				
	Keshan Polymers (P) Ltd.				11200000 (50790928)



P.P Suppliers & Agencies Pvt. Ltd.			10200000 (NIL)
Pushpak Dealcom Pvt. Ltd.			2600000 (NIL)
Unimark International Pvt. Ltd.			120000 (4565671)
Vimal Prakash			77500000 (NIL)
Loan Repaid			
Keshan Polymers (P) Ltd.			61990928 (50790928)
P.P Suppliers & Agencies Pvt. Ltd.			8898060 (NIL)
Unimark International Pvt. Ltd.			5765671 (4565671)

Note: Figures in bracket relates to the previous year

Note	Particulars	For the year ended 31st March, 2015 (₹)	For the year ended 31st March, 2014 (₹)
24.9	Earnings per share : Basic		
24.9a	Continuing operations		
	Net profit / (loss) for the year from continuing operations	(19,468,697)	(54,658,087)
	Less: Preference dividend and tax thereon	-	0
	Net profit / (loss) for the year from continuing operations attributable to the equity shareholders	(19,468,697)	(54,658,087)
	Weighted average number of equity shares	20,361,450	20,361,450
	Par value per share	10.00	10.00
	Earnings per share from continuing operations - Basic	(0.96)	(2.68)
24.9b	Total operations		
	Net profit / (loss) for the year	(19,468,697)	(54,658,087)
	Less: Preference dividend and tax thereon	-	-
	Net profit / (loss) for the year attributable to the equity shareholders	(19,468,697)	(54,658,087)
	Weighted average number of equity shares	20,361,450	20,361,450
	Par value per share	10.00	10.00
	Earnings per share - Basic	(0.96)	(2.68)
24.1	Deferred Tax (Liability) / Asset	For the year ended 31st March, 2015	For the year ended 31st March, 2014
	Tax effect of items constituting deferred tax liability		
	On difference between book balance and tax balance of fixed asset	6,534,215	5,953,953
	Tax effect of items constituting deferred tax assets		
	Provision for compensated absences, gratuity and other employee benefits	510,268	311,342
	Unabsorbed depreciation carried forward & brought forward business loss	52,722,183	39,851,523
	Net Deferred Tax (liability) / asset	53,232,451	40,162,865
		46,698,236	34,208,912



24.12: Other Notes:	
24.12.1	Voluntary Retirement Scheme (VRS) was introduced under which terminal date of employment was fixed as 31st July 2002. Provision for unpaid compensation has been made for the employees who have not taken the same. Modified Golden Handshake Schemes containing similar benefits as that of Voluntary Separation Scheme were introduced (in respect of ex-employees who were separated under the Golden Handshake Scheme 3 & 4) wherein cut off date for computation of compensation was kept as 31st July 2002. Provision for unpaid lump sum payment has been made for the ex-employees who have not taken the same.
24.12.2	Confirmation of Parties concerned for amount due, receivable from and/or payable to them as per the accounts of the company has not been received. Necessary adjustment, if any, shall be done at the time of settlement of respective account.
24.12.3	The financial result of the company pertains to operations related to refractories which is the only significant business segment of the Company as per AS-17 issued by the ICAI.
24.12.4	There are no Micro, Small and Medium enterprises to whom the company owes dues, which are outstanding for more than 45 days as at March 31, 2015. The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.
24.12.5	In view of unabsorbed losses and unabsorbed depreciation brought forward, there being no tax liability no provision for current Income Tax have been made during the year.
24.12.6	The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / rearranged / recasted wherever considered necessary. Figure have been rounded off to the nearest rupee.
24.12.7	During the year under review the company has not charged depreciation on fixed assets of the company as the Company was not in production.
24.12.8	In the opinion of the management, aggregate value of current assets and other loans and advances on realization in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

In terms of our report attached,

For and on behalf of the Board of Directors

For P Mukhopadhyay & Co.

Chartered Accountants

(Registration Number : 302085E)

S. Asokan

Whole Time Director Din No. 07019583

Subhas Mukhopadhyay

Membership no : 050384

Partner

Aditya Purohit

Company Secretary

Place: Kolkata

Date: 31-May 2015

Niraj Jalan

Director

Din No.00551970

Vimal Prakash

Director

Din No. 00174915 *



NOTES NO. "1"

SIGNIFICANT ACCOUNTING POLICIES

I. ACCOUNTING POLICY

Accounts are maintained under the mercantile system of accounting, adopting historical cost convention. The significant accounting policies are:

1.1. Revenues:

- Sales are inclusive of excise duty. Bonus claims, linked to operating efficiency of products, are recognized upon crystallization.
- Export Incentive under the Duty Entitlement Pass Book Scheme are recognized on the basis of credits afforded in the pass book.

1.2. Claims:

- Claims of the Company towards loss, damage and escalation are accounted when there is a certainty that the claim is realizable.

1.3. Valuation of Inventories:

- Raw materials, semi finished products and goods-in-process are valued at cost. Finished products are carried at lower of cost and net realizable value. Stores and spares are carried at cost. Cost for the purpose of valuation is generally ascertained on weighted average basis.

1.4. Fixed Assets:

- Fixed assets are valued at original cost of acquisition including taxes (which are unrecoverable), duties, freight and other incidental expenses relating to acquisition and installation. Net Changes on foreign Exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.
- Depreciation:
Depreciation is systematically allocated over the useful life of an asset as specified in part C of schedule II of Companies Act, 2013.
- Impairment of Assets:
The company reviews the carrying value of the assets for any possible impairment on each balance sheet date. Impairment loss, if any, is recognized in the year in which impairment takes place.

1.5. Foreign Currency:

- Transactions in foreign currency are accounted for at the prevailing rate on the transaction date. The year end balances in foreign currency are re-stated at the closing rate and the resultant difference is carried to Profit & Loss Account.

1.6. Borrowing Cost:

- The borrowing costs, those are directly attributable to the acquisition, construction or production of qualifying assets are capitalized.

1.7. Research and Development Expenditure:

- Revenue expenditure on Research and Development is charged out in the year in which it is incurred. Expenditure, which results in creation of assets, is included in fixed assets and depreciation is provided on such assets as are applicable.

1.8. Intangible Assets:

- Expenditure incurred is treated in accordance with the provisions of Accounting Standard-26 "Intangible Assets" issued by the ICAI.



1.9. Basis of Preparation of Financial Statements:

- The financial statements are prepared under the historical cost convention, except for certain fixed assets which are revalued, in accordance with generally accepted accounting principles in India and the provisions of the Companies Act, 1956.
- The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.

1.10. Use of Estimates.

- The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

1.11. Provisions, Contingent Liabilities and Contingent Assets :

- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

1.12. Retirement Benefits:

- Contribution towards Provident Fund is being charged to revenue on accrual basis and is deposited to regional office of the concerned authority
- Provision for gratuity has been made on the method as prescribed in the respective act.
- Provision has been made for accrued leave salary due to the employees, computed with reference to unavailed leave of the employee at the year end.

1.13. Deferred Tax:

- Provision for Tax is made for current and deferred taxes. Current taxes is provided on the taxable income using applicable tax rates and tax laws. Deferred Tax Assets and Liabilities arising on account of timing differential and which are Capable of reversal in subsequent periods are recognized using the Tax rates and Tax Laws that have been enacted or substantively enacted till the date of the Balance Sheet. Deferred Tax Assets are not recognized unless there is "Virtual Certainty" that Sufficient future taxable income will be available against which such Deferred Tax Assets will be realized.

1.14. Impairment of Assets:

- The carrying amount of assets are reviewed at each balance sheet date, if there is an Indication of impairment based on the internal and external factors.

In terms of our report attached.

For P Mukhopadhyay & Co.
Chartered Accountants
(Registration Number : 302085E)

Subhas Mukhopadhyay
Membership no : 050384
Partner

For and on behalf of the Board of Directors

S. Asokan
Whole Time Director Din No. 07019583

Aditya Purohit
Company Secretary

Place: Kolkata
Date: 31-May 2015

Niraj Jalan
Director
Din No.00551970

Vimal Prakash
Director
Din No. 00174915



NILACHAL REFRACTORIES LIMITED

PROXY FORM

Form No. MGT-11

Proxy form [Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L26939OR1977PLC000735
Name of the company : NILACHAL REFRACTORIES LIMITED
Registered office : P-598/599, KEDARNATH APARTMENT, MAHABIR NAGAR,
LEWIS ROAD, BHUBANESWAR 751002

Name of members(s) :
Registered address :
E-Mail Id :
Folio No/ Client Id :
DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him

Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him

Name : _____
Address : _____
E-mail Id : _____
Signature : _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at theAnnual general meeting/ Extraordinary general meeting of the company, to be held on the day of..... At..... a.m. / p.m. at.....(place) and at any adjournment thereof in respect of such resolutions as are indicated below:

- Resolution No.
1.....
2.....
3..... & Others

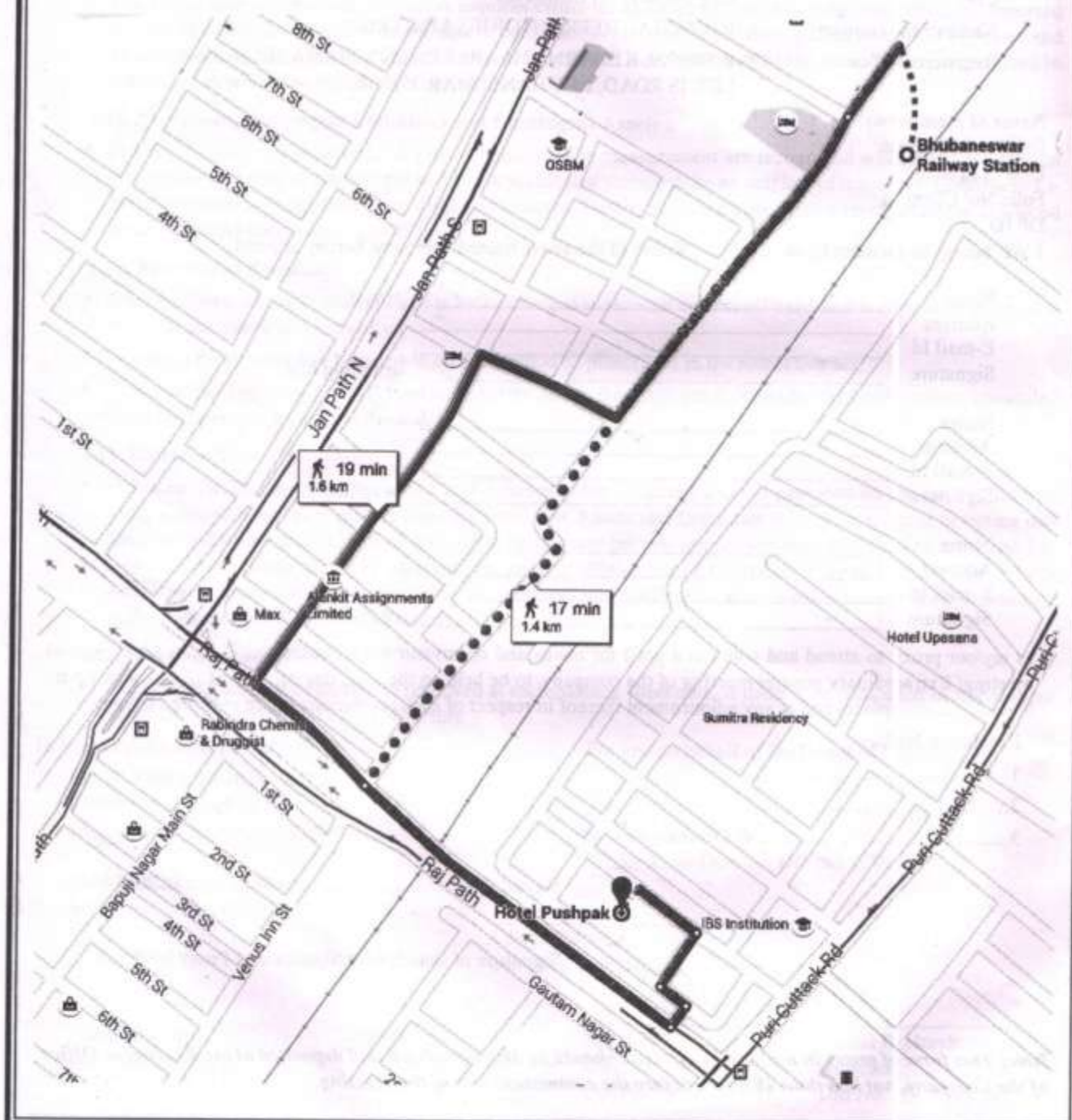
Signed this.....day of.....2015

Signature of shareholder Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ROUTE MAP





If undelivered, please return to :

NILACHAL REFRACTORIES LIMITED
P/598/599, Lewis Road, Mahabir Nagar,
Kedarnath Apartment, Bhubaneswar - 751 002,
Odisha

SPEED POST
(PRINTED MATTER ONLY)

