



1<sup>st</sup> August, 2023

National Stock Exchange of India Ltd  
'Exchange Plaza', C-1, Block – G  
Bandra – Kurla Complex  
Bandra (E), Mumbai 400 051  
**Code : IFGLEXPOR**

BSE Limited  
Phiroz Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001  
**Code : 540774**

Dear Sirs,

**Re: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Please find enclosed soft copy of Company's Annual Report for Financial Year 2022-23 along with Notice relating to 16<sup>th</sup> Annual General Meeting of the Shareholders (AGM Notice) to be held on Friday, 25<sup>th</sup> August, 2023 at 11 AM through Video Conferencing/Other Audio Visual Means. The Annual Report along with Notice of AGM are in the process of being sent today, i.e., 1<sup>st</sup> August, 2023 by email to all members whose Email ID's are registered with the Company/Depository Participants for communication purposes, all in compliance of relevant Circulars of Ministry of Corporate Affairs. Copy of aforesaid Notice and Annual Report is also available at website of the Company.

Notice of AGM :	<a href="https://ifglgroup.com/wp-content/uploads/2023/08/Notice_31723.pdf">https://ifglgroup.com/wp-content/uploads/2023/08/Notice_31723.pdf</a>
Annual Report :	<a href="https://ifglgroup.com/wp-content/uploads/2023/08/IFGL-AR- -0108023.pdf">https://ifglgroup.com/wp-content/uploads/2023/08/IFGL-AR- -0108023.pdf</a>

Thanking you,

Yours faithfully,  
For IFGL Refractories Ltd.,

(M Damani)  
Company Secretary

Encl: As Above

**IFGL REFRACTORIES LIMITED**

[www.ifglgroup.com](http://www.ifglgroup.com)

**Head & Corporate Office:** McLeod House  
3 Netaji Subhas Road, Kolkata 700 001, India  
**Tel:** +91 33 4010 6100 | **Email:** ifgl.ho@ifgl.in

**Registered Office:** Sector B, Kalunga Industrial Estate  
P.O. Kalunga, Dist. Sundergarh, Odisha 770 031, India  
**Tel:** +91 661 266 0195 | **Email:** ifgl.works@ifgl.in

**CIN:** L51909OR2007PLC027954

**Registered Office :** Sector 'B', Kalunga Industrial Estate

P.O. Kalunga 770031, Dist. Sundergarh, Odisha

Tel : +91 661 2660195

E-mail : [ifgl.works@ifgl.in](mailto:ifgl.works@ifgl.in)**Head & Corporate Office :** McLeod House

3, Netaji Subhas Road, Kolkata 700001

Tel : +91 33 40106100

E-mail : [ifgl.ho@ifgl.in](mailto:ifgl.ho@ifgl.in), [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in)Website : [www.ifglgroup.com](http://www.ifglgroup.com)**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 16th Annual General Meeting (AGM) of the Members of IFGL Refractories Limited (the Company) will be held on Friday, 25th August 2023 at 11 AM through Video Conferencing (VC)/Other Audio Visual Means (OAVM) and for which purpose, Registered Office situated at Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770031, Dist. Sundergarh, Odisha shall be deemed as venue for the meeting and proceedings of the AGM shall be deemed to have taken place thereat, to transact following :

**Ordinary Business**

1. To receive, consider and adopt both Standalone and Consolidated Audited Financial Statements of the Company for year ended on 31st March 2023, Reports of the Board of Directors and Auditors thereon.
2. To approve payment of Final Dividend @ 70% i.e. ₹ 7/- per Equity Share, recommended by the Board of Directors on Saturday, 27th May 2023 for FY 2022-23.
3. To consider and if thought fit and desirable, to pass with or without modification(s), resolution under Section 152 and other applicable provision of the Companies Act, 2013 (Act) for re-appointment of Mr Kamal Sarda (DIN - 03151258), to the extent he is required to retire by rotation at ensuing Annual General Meeting and who being eligible, has offered himself for re-appointment for further period liable to retire by rotation and such re-appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the Company.

**Special Business**

4. To consider and if thought fit, to pass with or without modification(s), following resolution as a Special Resolution.

"Resolved that following provisions of Sections 196,197 and 203 and any other applicable provisions, including Schedule V of the Companies Act, 2013 (the Act) and the Rules made thereunder( including any statutory modification(s) or re-enactment thereof for the time being in force) Mr Kamal Sarda (DIN - 03151258), son of Late Raghunath Sarda, be and is hereby re-appointed as Whole-time Director of the Company, liable to retire by rotation, for the period 1st June 2023 to 30th November 2024, both days inclusive, following recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company in their meetings held on Saturday, 27th May 2023 on terms and conditions including remuneration, perquisites and other entitlements similar to that of his appointment hitherto in place, which shall stand superseded on and from 1st June 2023 and effective that date, he is designated as Director and CEO India, more fully stated in the draft Agreement to be executed between the Company and Mr Sarda, brief particulars whereof are given in the Explanatory Statement appearing hereinafter, with power to the Board of Directors to vary, alter and modify terms of appointment and remuneration of Mr Sarda by mutual agreement except that remuneration approved will ordinarily not exceed limits specified in said Schedule V of the Act, but in the event of loss or inadequate profit in any financial year during his term of office, aggregate of his entitlement of remuneration including perquisites for said financial year will be the 'minimum remuneration' notwithstanding that said aggregate remuneration exceed individual limit of 5% and overall limit of 10% of eligible Net Profit specified in Section 197 read with Section I of Part II of said Schedule V of the Act.

Resolved further that the Board of Directors be and is hereby authorised to do all acts and take all steps as may be necessary, proper or expedient to give effect to this resolution."

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

"Resolved that authority is hereby delegated to the Board of Directors of the Company to enter into transactions, including those, nature whereof is repetitive and in ordinary course of business at arms length, with related parties following provisions of Section 188 of the Companies Act, 2013 (the Act) read with Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions and also those provided and/or referred in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in connection therewith, the Board of Directors may take such steps as may be necessary for and on behalf of the Company."

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

"Resolved that pursuant to provisions of Section 148 of the Companies Act, 2013 (the Act) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions and subject to necessary approvals, if any, remuneration, not

exceeding ₹ 500,000/- (Rupees five lakhs only), excluding reimbursement of expenses, out of pocket or otherwise, approved by the Board of Directors at the recommendation of the Audit Committee, of the Cost Auditor, M/s Mani & Co., Practicing Cost Accountants of 111, Southern Avenue, Kolkata 700029 for Financial Year 2023-24, be and is hereby ratified, with further authority to the Board of Directors to alter and/or vary the same in manner, as they may deem fit, proper and desirable, in best interest of the Company, at the recommendation of the Audit Committee and also that the Board of Directors is authorised to do all acts and take all such steps, as may be necessary, in this connection.”

Kolkata  
24th July 2023

By Order of the Board  
For IFGL Refractories Limited  
**Mansi Damani**  
Company Secretary

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**NOTES :**

1. Following General Circular Nos. 14/2020 dated 8th April 2020, 17/2020 dated 13th April 2020, 20/2020 dated 5th May 2020 and all other relevant Circulars issued from time to time, by the Ministry of Corporate Affairs, physical attendance of the Members at the AGM venue is not required. Hence, ensuing AGM will be held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) which Members can attend and participate through VC/OAVM.
2. As per said Circular, facility to appoint proxy to attend and cast vote for the members will not be available for the ensuing AGM. Hence the Proxy Form and Attendance Slip are not annexed hereto. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join AGM in VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Facility of participation at the AGM through VC/OAVM will be made available to 1000 members on first come first served basis. However, this number does not include the Large Shareholders i.e. Shareholders holding 2% or more Shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the Quorum under Section 103 of the Companies Act, 2013 (the Act).
5. Pursuant to provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated 8th April 2020, 13th April 2020, 5th May 2020 and 28th December 2022, the Company is providing facility of remote e-voting to its Members in respect of business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL. Instructions and other information relating to remote e-voting/e-voting on the day of the AGM are given at Note No. 32.
6. Notice calling AGM has been uploaded on website [www.ifglgroup.com](http://www.ifglgroup.com) of the Company in Investor Section. Complete Annual Report is also available on Company's website. Notice can also be accessed from websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. AGM Notice is also available on website of NSDL (agency for providing the remote e-voting facility and e-voting during the AGM) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
7. Electronic copy of complete Annual Report and Notice of AGM are also being sent to all the members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes.
8. Recorded transcript of the proceedings at the AGM shall also be made available on Company's website in Investor Section soon after conclusion of said meeting.
9. All documents referred to in the accompanying Notice and the Explanatory Statement and Annual Accounts of Subsidiary Companies shall be made available for inspection through electronic mode on receipt of request by the Company at [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in).
10. Scanned copies of Register of Directors and Key Managerial Personnel and their Shareholding, Register of Contracts and Arrangements in which directors are interested and the relevant documents referred to in this Notice will be available electronically for inspection by the members during the AGM.
11. Explanatory Statement pursuant to Section 102(1) of the Act, relating to Special Business at Serial Nos. 4 to 6 to be transacted at the AGM form part of Notice.

12. Members holding shares in Electronic Form are hereby informed that Bank particulars registered against their respective Demat Accounts are used by the Company for payment of Dividend. Hence members are requested to intimate any change in their Bank mandates to their Depository Participant(s) with whom they are maintaining their Demat Account. Members holding shares in Physical Form and desirous of either registering Bank particulars or changing Bank particulars already registered against their respective Folios for payment of Dividend are requested to write to the Company or its Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited.
13. **Section 88 of the Act read with Rules framed thereunder provide for maintenance of Members Register having details like e-mail ID, Income Tax Permanent Account Number (PAN), Unique Identification Number, Corporate Identification Number, Father's/Mother's/Spouse's Name, Status, Occupation and Nationality etc.** Form for furnishing these information may be downloaded from Company's website [www.ifglgroup.com](http://www.ifglgroup.com) and sent to the Company or its Registrar and Share Transfer Agent. Registration of e-mail ID will also facilitate receipt of all communication including Annual Report, Notices and Circulars etc electronically from the Company. Even after registration for e-communication, members will continue to be entitled to receive such documents in physical form, upon making a request for the same, by post free of cost.
14. SEBI/HO/MIRSD/MIRSD\_PoD-1/P/CIR/2023/37 dated 16th March 2023, SEBI has made it mandatory to furnish PAN, Email address, Mobile Number, Bank Account details and Nomination by holders of Physical Securities. This is applicable for all the security holders in physical mode. The salient features and requirements of the circular are as follows :
- Shareholders holding shares in physical mode are requested to ensure that their PAN is linked to Aadhar by 30th September 2023 or any other date as may be specified by the Central Board of Direct Taxes to avoid freezing of folio.
  - The Registrar and Share Transfer Agent shall not process any service requests or complaints received from the holder(s)/ claimant(s), till PAN, KYC and Nomination documents/details are received.
  - Folios wherein any one of the said document / details are not available on or after 1st October 2023, shall be frozen and member will not be eligible to lodge grievance or avail service request from the Registrar and Share Transfer Agent and not eligible for receipt of dividend in physical mode after 1st April 2024.
  - After 31st December 2025, the frozen folios shall be referred by Registrar and Share Transfer Agent/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002.

In view of the above, members holding shares in Physical Form are requested to send self-attested copy of valid PAN card (linked with Aadhar) or latest Demat account CML copy duly attested by DP, KYC details duly mentioned in ISR-1 form (Mobile Number and Email ID are mandatory), ISR-2 form and Nomination Form (SH-13) immediately to the Company's Registrar and Share Transfer Agent by post or courier. The required forms (ISR-1, ISR-2, SH-13 etc.) can be downloaded from [www.ifglgroup.com](http://www.ifglgroup.com).

15. Brief Resume of Director proposed to be re-appointed having details such as nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of the Board Committees, shareholding and relationships between Directors inter-se required by Regulation 36(3) of the SEBI LODR, 2015 is annexed hereto. He has furnished requisite declaration for his re-appointment.
16. **Friday, 18th August 2023** has been fixed as '**Cut off Date**' for determining Members entitled to facility of voting by remote e-voting and for e-voting at said AGM following Regulation 44 of the SEBI LODR, 2015.
17. The Register of Members and Share Transfer Register of the Company will remain closed from Saturday, 19th August 2023 to Friday, 25th August 2023, both days inclusive, in connection with ensuing AGM.
18. Regulation 12 and Schedule I of SEBI LODR, 2015 require all Companies to use the facility of Electronic Clearing Services for payment of Dividend. In compliance with these Regulations and SEBI circulars, the Company will whenever necessary effect payment of Dividend by Electronic Mode only directly into the Bank Accounts of Members. Dividend Warrants will be dispatched to the registered address of the Members by specified mode having Bank Account Particulars wherever available with the Company. Members are thus requested to submit their Bank details along with original cancelled cheque to Company's Registrar and Share Transfer Agent, M/s Maheshwari Datamatics Private Limited to enable them to update records, in case shares are held in Physical Form and to Depository Participants in respect of shares held in Dematerialised Form.
19. On 11th October 2022, the Company transferred unclaimed/unpaid dividend declared for payment by erstwhile IFGL Refractories Limited (Transferor Company - merged with the Company on and from 1st April 2016), for FY 2014-15 to Investor Education and Protection Fund (IEPF) following provisions of Section 124(5) of the Act read with Rule 5 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). Unclaimed/unpaid dividend declared by the Transferor Company for FY 2015-16 was also transferred to IEPF on 26th April 2023. Details of the unclaimed/unpaid dividend transferred have been hosted on Company's website [www.ifglgroup.com](http://www.ifglgroup.com) and claims in respect thereof may be lodged online on [www.iepf.gov.in](http://www.iepf.gov.in) following requisite procedures.



20. Particulars of persons entitled to Unclaimed/unpaid dividend declared by the Company is appearing on Company's website [www.ifglgroup.com](http://www.ifglgroup.com) and claims in respect thereof be either sent to the Company or its Registrar and Share Transfer Agent. Particulars of dividends declared by the Company and estimated dates unclaimed/unpaid amount whereof are likely to be transferred to IEPF are also given in Corporate Governance Report forming part of Directors Report.
21. Equity Shares of the Company are available for dematerialisation both with NSDL and CDSL. ISIN is INE133Y01011.
22. Members holding shares in Physical Form are requested to notify/send following to the Registrar and Share Transfer Agent of the Company to facilitate better service :
- Any change in their address/mandate/bank details.
  - Share Certificate(s), held in multiple accounts in identical names or joint accounts in the same order of names, for consolidation of such shareholdings into one account.
- Members holding shares in Demat Form are requested to give all instructions directly to their Depository Participants.
23. Members holding shares in physical form are once again being informed that as per Regulation 40 of SEBI LODR, 2015, shares are transferable only if held in dematerialised form with effect from 1st April 2019. Hence, Company will not give effect to transfer of shares lodged in physical form except in cases involving transmission or transposition.
24. Members please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January 2022, has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate, claim from unclaimed suspense account, exchange of securities certificate, sub-division of securities certificate, consolidation of securities certificates/folios, transmission and transposition and such other reports. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise the shares held by them in physical form.
25. Members are requested to quote Folio No. or Client ID and DP ID Nos. in all communications with the Company.
26. Equity Shares of the Company are listed both on the BSE Limited (Code : 540774) and National Stock Exchange of India Limited (Code : IFGLEXPOR) and regularly traded thereon.
27. Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble National Company Law Tribunal, Kolkata Bench by passing an Order on 3rd August 2017, the Company issued and allotted on 18th September 2017, one Equity Share of ₹ 10/- fully paid up for one Equity Share of ₹ 10/- fully paid up held in Transferor Company on the record date, 15th September 2017. Equity Shares issued were either credited to Demat Accounts of members entitled thereto or they were issued certificate for their entitlement of Equity Shares. Queries if any relating to aforesaid of the members may either be sent to the Company at [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in) or its Registrar and Share Transfer Agent at [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com).
28. If dividend on Equity Shares, as recommended by the Board of Directors, is declared at the AGM, payment thereof will be made on or after Wednesday, 30th August 2023 to those shareholders whose names shall appear on the Company's Register of Members –
- as Beneficial Owners at end of business hours of Friday, 18th August 2023 as per the list to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in Dematerialised form.
  - as holder of Company's Equity Shares in physical form after giving effect to all valid request for Transmission etc. as on Friday, 18th August 2023.
29. Pursuant to provisions of the Income Tax Act, 1961, dividend from the Company is taxable in the hands of the Members and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication providing detailed information & instructions with respect to such tax deductible at source and matters associated therewith, from Final Dividend for the FY ended 31st March 2023 if declared at AGM, has already been sent to the Members.
30. Following provisions of Section 124(6) of the Act read with Rule 6 of IEPF Rules, the Company on 19th October 2022 transferred 28,687 Equity Shares of ₹ 10/- each fully paid up of the Company of 263 holders thereof who did not claim dividend for seven consecutive years including FY 2014-15, to Demat Account of IEPF Authority. On 8th May 2023, 36,587 Equity Shares of ₹ 10/- each fully paid up of the Company relating to 284 holders who did not claim dividend for seven consecutive years including FY 2015-16 were transferred to Demat Account of IEPF Authority. Relevant particulars of Equity Shares transferred have been hosted on Company's website [www.ifglgroup.com](http://www.ifglgroup.com). Procedure for re-claiming said Equity Shares from the IEPF Authority has also been hosted on Company's website.
31. Since the AGM will be held through VC/OAVM facility, the route map is not annexed herewith.
32. Voting through electronic means :
- The way to vote electronically on NSDL e-voting System consists of "Two Steps" which are mentioned below :

## Step 1: Access to NSDL e-voting System

### A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in Demat Mode

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat Mode are allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail id in their Demat Accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below :

Type of Individual Shareholders	Login Method
Shareholders holding securities in Demat Mode with NSDL.	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, <ul style="list-style-type: none"> <li>• Visit the e-Services website of NSDL. Open web browser by typing <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section.</li> <li>• A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page.</li> <li>• Click on options available against company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</li> </ul> </li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-voting website of NSDL. <ul style="list-style-type: none"> <li>• Open web browser by typing <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>• A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat Account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.</li> <li>• Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</li> </ul> </li> </ol>
Shareholders holding securities in Demat Mode with CDSL	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the e- voting Menu. The Menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN from a link <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile and E-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.</li> </ol>

Type of Individual Shareholders	Login Method
Shareholders (holding securities in Demat Mode) login through their depository participants	<ul style="list-style-type: none"> <li>You can also login using the login credentials of your Demat Account through your Depository Participant registered with NSDL/CDSL for e-voting facility.</li> <li>Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>Click on options available against company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</li> </ul>

**Important Note:** Members who are unable to retrieve User ID/Password are advised to use Forgot User ID and Forgot Password option available at above mentioned websites.

Helpdesk for Individual Shareholders holding securities in Demat Mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat Mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no. : 022 4886 7000 and 022 2499 7000
Individual Shareholders holding securities in Demat Mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cDSLindia.com">helpdesk.evoting@cDSLindia.com</a> or contact at 1800 22 55 33

**B) Login Method for shareholders other than Individual shareholders holding securities in Demat Mode and shareholders holding securities in physical mode.**

How to Login to the NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing <https://www.evoting.nsdl.com/> either on a Personal computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can Login at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you Login to NSDL e-services after using your Login credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.
- Your User ID details are given below :

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

- Password details for shareholders other than Individual shareholders are given below :
  - If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

- c) How to retrieve your 'initial password'?
  - (i) If your e-mail ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'Initial Password'.
  - (ii) If your e-mail ID is not registered, please follow steps mentioned below i.e. process for those shareholders whose e-mail IDs are not registered.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password :
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your Demat Account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) 'Physical User Reset Password?' (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your Demat Account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, tick on Agree to 'Terms and Conditions' by selecting on the check box.
8. Now, you will have to click on 'Login' button.
9. After you click on the 'Login' button, home page of e-voting will open.

## **Step 2 : Cast your vote electronically and join AGM on NSDL e-voting system.**

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

1. After successful Login at Step 1, you will be able to see all the Companies 'EVEN' in which you are holding shares and whose voting cycle and AGM is in active status.
2. Select 'EVEN' of company for which you wish to cast your vote during the remote e-voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under 'Join General Meeting'.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message 'Vote cast successfully' will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

- a) Voting period will begin on **Tuesday, 22nd August 2023 (9.00 AM)** and end on **Thursday, 24th August 2023 (5.00 PM)**. During this period Members of the Company, holding shares either in physical form or in dematerialised form, as on **Friday, 18th August 2023 ("Cut-off Date")** may cast their vote(s) electronically. Remote e-voting module shall be disabled by NSDL for voting thereafter.
- b) Voting rights of Members shall be in proportion to their share of the paid up Equity Share Capital of the Company as on Friday, 18th August 2023 ("Cut-off Date"). A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date shall only be entitled to avail the facility of remote e-voting as well as voting at the AGM.
- c) Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the AGM Notice and holds shares as on the Cut-off Date, i.e. Friday, 18th August 2023 may obtain the Login ID and Password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if the Member is already registered with NSDL for remote e-voting then Member can use his/her

existing User ID and Password for casting vote. If Member has forgotten his/her password, he/she may reset password by using "Forgot User Details/Password" option available on <https://www.evoting.nsdl.com/>

- d) Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority Letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to attend the AGM through VC/OAVM on its behalf and vote, to the Scrutinizer by e-mail to [smguptaandco@yahoo.com](mailto:smguptaandco@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- e) In case of any queries, Member(s) may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available in the download section of <https://www.evoting.nsdl.com/> or call on the toll free no. : 022 4886 7000 and 022 2499 7000 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Mr. Amit Vishal, Asst. Vice President/Ms. Pallavi Mhatre, Senior Manager, NSDL, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013.
- f) It is strongly recommended that Member(s) do not share their password with any other person and take utmost care to keep password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, Members will need to go through the 'Forgot User Details/Password?' or the 'Physical User Reset Password?' option available on <https://www.evoting.nsdl.com/> to reset the password.
- g) Mr S M Gupta, Proprietor of M/s S M Gupta & Co., Company Secretaries, (Membership No. FCS 896, CP No. 2053) has been appointed by the Board of Directors of the Company as Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.
- h) Chairman shall, at the AGM, at the end of discussion on the resolutions, allow the voting with the assistance of scrutinizer for all those members who are present at the AGM and have not cast their votes by then availing remote e-voting facility.
- i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM, thereafter unblock the votes cast through remote e-voting, in the presence of at least two (2) witnesses not in the employment of the Company.
- j) The Scrutinizer will collate the votes cast at the AGM and votes downloaded from the e-voting system and make, within two working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- k) The Chairman or the person authorised by him in writing forthwith on receipt of consolidated Scrutinizer's Report, declare results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.ifglgroup.com](http://www.ifglgroup.com) and on the website of NSDL <https://www.evoting.nsdl.com/> immediately after their declaration and communicated to the Stock Exchanges where the Equity Shares of the Company are listed viz. BSE Limited and National Stock Exchange of India Limited.
- l) Subject to receipt of requisite number of votes, the Resolution(s) set out in the Notice shall be deemed to be passed on the date of the AGM.

**Process for those Members whose e-mail IDs are not registered with the Company/Depositories for procuring User ID and Password and registration of E-mail IDs for e-voting for the resolutions set out in this Notice :**

1. In case shares are held in physical mode, please provide Folio No., Member's name, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in).
2. In case shares are held in Demat Mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit Beneficiary ID), Name, Client Master list or copy of Consolidated Account Statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in). If you are an Individual shareholder holding securities in Demat Mode, you are requested to refer to the Login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in Demat Mode.
3. Alternatively, members may send e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password for providing the details mentioned in point (1) or (2) as the case may be.
4. In terms of SEBI circular dated 9th December 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat Mode are allowed to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their Demat Account in order to access e-voting facility.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER :**

1. Procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. Details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under 'Join General meeting' menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their Name, DP ID and Client ID, Folio Number, PAN, Mobile Number at least 48 hours before the start of the AGM at [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT 2013 IN RESPECT OF BUSINESS AT SERIAL NOS 4 TO 6 OF THE NOTICE****Serial No. 4**

Following passing of Special Resolution at 13th Annual General Meeting of the shareholders held on Saturday, 26th September 2020, tenure of Mr Kamal Sarda (DIN - 03151258) as Director and Chief Executive Officer (Whole-time Director) of the Company shall come to end on 30th September 2023. However the Board of Directors of your Company in their meeting held on Saturday, 27th May 2023 based on the recommendation of Nomination and Remuneration Committee (Committee), in their meeting also held on that date and following provisions of Sections 196, 197 and 203 and other applicable provisions including Schedule V of the Companies Act, 2013 (the Act) and the Rules framed thereunder foreclosed said appointment and have re-appointed Mr Sarda as Whole-time Director of the Company from 1st June 2023 to 30th November 2024, both days inclusive. In this connection, Agreement shall be executed, brief particulars whereof are given herein below and which is available for inspection to the members electronically, provided prior request thereof is sent at [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in) during working hours on working days (excluding Saturday).

<b>Particulars</b>	<b>Amount</b>
Basic Salary (per month)	₹ 12 lakhs including contribution of ₹ 50,000 towards National Pension Scheme
Personal Accident Insurance for self	₹ 50 (fifty) lakhs
Medical Insurance cover for self, spouse and two dependent children	₹ 10 (ten ) lakhs
Quarterly Incentive	As per Company's Scheme



In addition to salary, perquisites and allowances mentioned hereinbefore, Mr Sarda shall be entitled to Company owned mid-sized car for official and personal uses.

Total remuneration including allowances and perquisites of Mr Sarda will be within individual limit of 5% and overall limit of 10% of eligible Net Profit of each of the respective year.

One of the terms and conditions of re-appointment of Mr Sarda is that in the event of loss or inadequate profit in any financial year during the term, aggregate entitlement of remuneration including perquisites will be the 'minimum remuneration' notwithstanding that said remuneration individually and collectively exceed individual limit of 5% and overall limit of 10% of eligible Net Profit specified at Section 197 read with Section I of Part II of said Schedule V of the Act.

The Board of Directors at the recommendation of the Committee and in consultation with Mr Sarda shall have the authority to increase, reduce, alter or vary his remuneration and perquisites including monetary value thereof at any time and from time to time in such manner as the Board of Directors may, in their absolute discretion, deem fit, proper and necessary.

In addition to remuneration including perquisites and allowances, Mr Sarda shall be entitled to reimbursement of expenses incurred for travelling, boarding and lodging during business trips, and such expenses shall not be considered as perquisites.

Mr Sarda will perform his duties with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board and functions of Whole-time Director under the overall authority and supervision of the Managing Director and Chairman of the Company.

Mr Sarda shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of Directors.

Mr Sarda shall adhere to the Company's Code of Conduct for Board of Directors and Senior Management Personnel.

The Office of Mr Sarda shall be terminable by the Company or Mr Sarda by 3 (three) months prior notice in writing to the other.

Mr Sarda satisfy all the conditions set out in Part I of Schedule V to the Act as also conditions set out under sub section (3) of Section 196 of the Act for being eligible for re-appointment. He is not disqualified from being appointed as Whole-time Director in terms of Section 164 of the Act.

Aforesaid may be treated as a written memorandum setting out the terms of re-appointment of Mr Sarda under Section 190 of the Act and relevant Regulation(s) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015).

Brief resume of Mr Sarda, nature of his expertise in specific functional areas, names of companies in which he holds directorships and Memberships/Chairmanships of Board Committees, shareholding and relationships amongst Directors inter-se as stipulated under relevant Regulation 36 of SEBI LODR, 2015, are provided in the statement appearing hereinafter.

Mr Sarda is interested in the resolution set out at Serial No. 4 of the Notice, which pertain to his re-appointment and remuneration payable to him.

Relatives of Mr Sarda may be deemed to be interested in the resolutions set out at Serial No. 4 of the Notice, to the extent of their interest including shareholding, if any, in the Company.

Save and except above, none of other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. Your Director commend passing of the proposed Special Resolution set out at Serial No. 4 of the Notice.

#### **Serial No. 5**

Your Company enter into transactions including contracts and/or arrangements, repetitive in nature and in ordinary course of business at arms length with related parties from time to time with regard to sale, purchase or supply of goods or materials, availing or rendering of services, appointment to/holding of office or place of profit etc. El Ceramics LLC, IFGL Worldwide Holdings Limited and Monocon International Refractories Limited are material subsidiaries of your Company within the meaning of Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereon 'SEBI LODR, 2015'). None of these subsidiaries are subsidiaries of the Company for the purposes of Regulation 24 of SEBI LODR, 2015. Based on transactions hitherto undertaken with related parties, excluding transactions entered into by your Company with its wholly owned subsidiaries or one such subsidiary of your Company

with other or transactions by Company's subsidiaries with related parties not exceeding specified threshold, transactions likely to be undertaken for FY 2023-24 are given in Table below, in respect whereof Audit Committee of Directors of your Company have accorded Omnibus approval following provisions of Section 177 of the Companies Act 2013 (the Act).

	<b>Name of Related Party/Relationship/Nature of Transactions</b>	<b>Aggregate Maximum Amount (₹ in lakhs)</b>
I)	<b>Bajoria Financial Services Private Limited, Holding Company</b>	
	Rent for Office Premises	100.00
	Reimbursement of Expenses	20.00
	Recovery of Expenses	5.00
II)	<b>With Subsidiaries including Step Down Subsidiaries</b>	
	<b>Purchase of Raw Materials</b>	
	El Ceramics LLC	30.00
	Hofmann Ceramic GmbH	30.00
	Mono Ceramics Inc	50.00
	Monocon International Refractories Limited	500.00
	Tianjin Monocon Aluminous Refractories Company Limited	50.00
	Tianjin Monocon Refractories Company Limited	5,000.00
	<b>Purchase of Capital Goods</b>	
	Monocon International Refractories Limited	400.00
	Tianjin Monocon Refractories Company Limited	400.00
	<b>Purchase of Services</b>	
	Tianjin Monocon Refractories Company Limited	100.00
	<b>Sale of Finished Goods</b>	
	El Ceramics LLC	200.00
	Hofmann Ceramic GmbH	100.00
	Mono Ceramics Inc	1,000.00
	Monocon International Refractories Limited	1,200.00
	Tianjin Monocon Aluminous Refractories Company Limited	30.00
	Tianjin Monocon Refractories Company Limited	30.00
	<b>Sale of Capital Goods</b>	
	Hofmann Ceramic GmbH	100.00
	<b>Royalty Paid</b>	
	Hofmann Ceramic GmbH	100.00
	<b>Commission</b>	
	Mono Ceramics Inc	200.00
	Hofmann Ceramic GmbH	300.00
	<b>Expenses Reimbursement/Incurred</b>	
	Hofmann Ceramic GmbH	30.00
	Mono Ceramics Inc	30.00
	Monocon International Refractories Limited	30.00
	<b>Expenses Recovered/Received</b>	
	El Ceramics LLC	50.00
	Hofmann Ceramic GmbH	50.00
	Monocon International Refractories Limited	200.00
	Mono Ceramics Inc	200.00

	<b>Name of Related Party/Relationship/Nature of Transactions</b>	<b>Aggregate Maximum Amount (₹ in lakhs)</b>
III)	<b>With Fellow Subsidiary</b>	
	<b>Reimbursement of Expenses</b>	
	Bajoria Enterprises Limited	30.00
	Ganges Art Gallery Private Limited	30.00
	<b>Expenses Recovered/Received</b>	
	Essentially Healthy Private Limited	50.00
IV)	<b>Heritage Insurance Brokers Private Limited, Enterprises in which Key Managerial Personnel has Significant Influence</b>	
	Expenses Recovered/Received	50.00
V)	<b>Key Management Personnel Remuneration</b>	
	Shishir Kumar Bajoria (Chairman)	As approved by members
	James L McIntosh (Managing Director)	As approved by members/Central Government
	Kamal Sarda (Director and CEO India )	As approved by members
	Rajesh Agarwal (Director – General Counsel)	As approved by members
	Amit Agarwal (Chief Financial Officer)	As approved by the Board
	Mansi Damani (Company Secretary)	As approved by the Board
	<b>Director's Commission</b>	
	Shishir Kumar Bajoria (Chairman)	As approved by members
VI)	<b>Sitting Fees</b>	
	Anita Gupta, Non Executive Independent Director *	2.00
	Debal Kumar Banerji, Non Executive Independent Director	5.00
	Duraiswamy Gunaseela Rajan, Non Executive Independent Director	4.00
	Gaurav Swarup, Non Executive Independent Director	2.00
	Sudhamoy Khasnobis, Non Executive Independent Director	5.00
VII)	<b>With others - Post employment benefit</b>	
	<b>Expenditure</b>	
	IFGL Refractories Limited Staff Provident Fund	As per Rules
	IFGL Exports Limited Employees Gratuity Fund	As per Rules
	IFGL Refractories Limited Employees Superannuation Fund	As per Rules

\* Forgone her entitlement of Sitting Fees

Although in respect of aforesaid related party transactions, none of which is material transaction within the meaning of Regulation 23(1) of SEBI LODR, 2015, your approval is not required, your Directors recommend passing of proposed Ordinary Resolution as an abundant precaution and corporate governance practices followed by your Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except to the extent disclosed hereinbefore, are concerned or interested, financially or otherwise, in proposed resolution. Your Directors commend passing of proposed Ordinary Resolution set out at Serial No. 5 of the Notice.

## Serial No. 6

Your Company is required to maintain cost records and have the same audited by a Cost Auditor following provisions of Section 148 of the Companies Act, 2013 (the Act) read with Companies (Cost Records and Audit) Rules, 2014. Your Directors accordingly at the recommendation of the Audit Committee has re-appointed M/s Mani & Co., Cost Accountants, at a remuneration not exceeding ₹ 500,000/- (Rupees five lakhs only), for FY 2023-24. Rule 14 of the Companies (Audit and Auditors) Rules, 2014 inter alia provide for ratification of remuneration of the Cost Auditor by the Members and hence, the proposed resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in proposed resolution. Your Directors commend passing of proposed Ordinary Resolution set out at Serial No. 6 of the Notice.

### Brief Resume of Director proposed to be re-appointed at the AGM :

<b>Name of the Director</b>	Mr Kamal Sarada
<b>Serial No of the Notice</b>	3 and 4
<b>DIN</b>	03151258
<b>Date of Birth</b>	06.02.1963
<b>Expertise in Specific Functional Area</b>	<ul style="list-style-type: none"><li>• Has three decades of experience in the field of Finance, Accounts, Commercial and Operations with more than 26 years of hands on working experience in Refractory Industry.</li><li>• Was Chairman of the Indian Refractory Makers Association (IRMA).</li><li>• Was Chief Operating Officer of erstwhile IFGL Refractories Limited.</li></ul>
<b>Qualification</b>	B.Com (Hons), LLB, FCA
<b>Board Membership of other Companies as on 31st March 2023</b>	Indian Refractory Makers Association
<b>Chairman/Member of the Committee of the Board of Directors of the Company as on 31st March 2023</b>	<b>Member of :</b> Investment Committee Risk Management Committee Stakeholders Relationship Committee
<b>Chairman/Member of the Committee of Directors of other public Company of which he is Director as on 31st March 2023</b>	None
<b>Shareholding as on 31st March 2023</b>	2,000
<b>Relationship between Directors inter-se</b>	None

### Statement having details as per Section II of Part II of Schedule V of the Act in respect of Special Resolution at Serial No 4 of the Notice :

#### 1. General Information

<b>Nature of Industry</b>	The Company is one of the prominent Manufacturer and Trader of Specialised Refractory Products and Total Refractory Solution Provider.			
<b>Date or expected date of commencement of commercial production</b>	01.05.2012			
<b>In case of new Companies, expected date of commencement of activities as per project approved by the Financial Institutions appearing in the Prospectus</b>	Not Applicable			
<b>Financial Performance for Financial Year 2022-23 based on given indicators</b>		<b>Total Income (₹ in lakhs)</b>	<b>Profit before Tax (₹ in lakhs)</b>	<b>Profit after Tax (₹ in lakhs)</b>
	Standalone	84,556.93	8,528.58	6,117.43
	Consolidated	1,39,965.19	10,569.89	7,920.57
<b>Export Performance</b>	FOB Value of Exports : ₹ 34,850.24 lakhs for Financial Year 2022-23.			
<b>Foreign investments or collaborations, if any</b>	Company's Foreign Promoter, Krosaki Harima Corporation (KHC), Japan is presently holding 55,90,156 Equity Shares of ₹ 10/- each being 15.51% of total issued and paid up Share Capital of the Company.			

**2. Information about the Appointee, Mr Kamal Sarda**

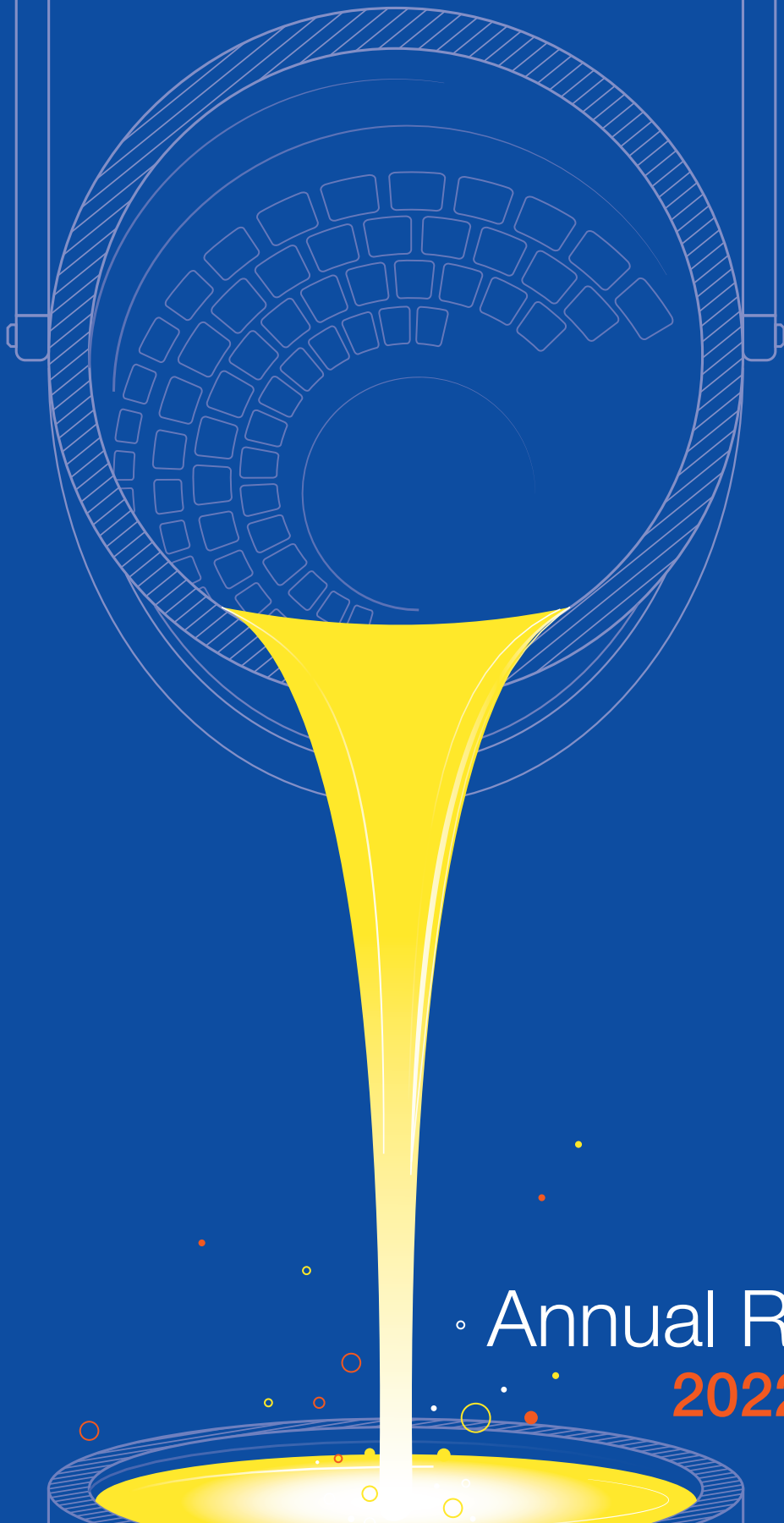
- Background, job profile, justification for suitability, recognition and awards conferred, details of past and present remuneration etc of the appointee are given in AGM Notice and Explanatory Statement forming part thereof and Directors' cum Management Discussion and Analysis Report on audited financial statements for FY 2022-23 of the Company. For the sake of brevity, all said Information have not been repeated here.
- The Company is Indian multinational with multiple facilities in India and abroad for manufacture of highly specialised refractory products. Hence remuneration of the appointee is strictly not comparable with other Indian Companies including those engaged in manufacture of comparable products. Remuneration including perquisites payable are commensurate to stature and profile of the appointee, his role and responsibilities and modest and comparable with that paid by other Companies at large.
- Pecuniary relationship directly or indirectly with the Company is given in Note 36 of Audited Financial Statements of Accounts. Appointee does not have any relationship with other Managerial Personnel.

**3. Other Information**

<b>Reasons of loss or inadequate profits :</b>	The Company has been operating satisfactorily. The Company however is engaged in manufacturing and thus susceptible to several micro and macro factors beyond its control. As a result, the Company may incur losses or have inadequate profits for payment of 'Minimum Remuneration' to the appointee.
<b>Steps taken or proposed to be taken for improvement :</b>	It will be continued endeavor of the Company to improve its performance.
<b>Expected increase in productivity and profits in measurable terms :</b>	The Company expect to have significantly improved financial and operational performances going forward including for FY 2023-24 and thereafter. Thus, the Company is likely to have sufficient profits for payment of Managerial Remuneration.



OUR TECHNOLOGY.  
YOUR SUCCESS.



Annual Report  
2022-2023



## Forward Looking Statement

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In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This Report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion on future performance.

We can not guarantee that these forward-looking statements will be realized, although we believe, we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## Between the covers

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# Corporate Information

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## Board of Directors

### Independent Directors

D K Banerji  
S Khasnobis  
D G Rajan  
G Swarup

### Woman Director (Independent)

A Gupta

### Chairman

S K Bajoria

### Managing Director

James L McIntosh

### Director and CEO India

K Sarda

### Director – General Counsel

R Agarwal

### Chief Financial Officer

A Agarwal

### Company Secretary

M Damani

### Auditors

S. R. Batliboi & Co. LLP  
Plante & Moran PLLC  
UHY Hacker Young  
Christopher John Woodhead

### Internal Auditor

Rupa & Co.

### Cost Auditor

Mani & Co.

### Secretarial Auditor

S M Gupta & Co.

## Principal Bankers

State Bank of India  
DBS Bank India Limited  
ICICI Bank Limited  
Yes Bank Limited  
Kotak Mahindra Bank Ltd  
Export-Import Bank of India

## Registered Office & Kalunga Works

Sector 'B', Kalunga Industrial Estate  
P.O. : Kalunga 770031  
Dist. : Sundergarh, Odisha  
Tel : +91 661 2660195  
E-mail : ifgl.works@ifgl.in

## Head & Corporate Office

McLeod House, 3, Netaji Subhas Road  
Kolkata 700001  
Tel : +91 33 40106100  
E-mail : ifgl.ho@ifgl.in,  
investorcomplaints@ifgl.in

## Kandla SEZ Works

Plot Nos. 638-644,  
Kandla Special Economic Zone  
P.O. : Gandhidham 370230  
Dist. : Kutch, Gujarat  
Tel/Fax : +91 2836 253900  
E-mail : ifglexports@ifgl.in

## Visakhapatnam Works

Plot No. 15G, 15G1, 15H Industrial Park,  
APIIC-Denotified Area,  
Atchutapuram 531011, APSEZ,  
Visakhapatnam, Andhra Pradesh

## Overseas Branch

RAS Al Khaimah FTZ, UAE

## Four Decades of Expertise in Refractory Solutions

With an extensive experience spanning over four decades, IFGL has established itself as a prominent player in the realm of metal flow engineering. Today, it stands as a globally recognized brand in the refractory industry. Our unwavering commitment to excellence is reflected in our 10 strategically positioned manufacturing units throughout Asia, Europe, and North America, enabling us to effectively cater to the diverse needs of our customers worldwide.

At IFGL, we take pride in our diverse workforce, comprising nearly 2000 highly skilled professionals hailing from various geographical locations and cultural backgrounds. This collective knowledge and expertise allow us to grasp and address the escalating demand for refractories within the Iron & Steel industry. By doing so, we contribute to the future infrastructural development, supporting the evolution of various sectors.

### IFGL Group at a Glance



**10**

Production  
Facilities



**40+**

Years of  
Expertise



**300+**

Customers  
Worldwide



**50+**

Countries  
Served



**2000+**

Total  
Workforce



**5**

Group  
Companies

# Message from **The Chairman**



“ At IFGL, our focus is, and shall always be, on maintaining a seamless harmony between people, process, technology & the ecosystem. ”

**Shishir Kumar Bajoria**

Chairman, IFGL Refractories Ltd.

# Management **Team**



James McIntosh  
Managing Director, IFGL

Our leadership team constantly strives towards better and safer ways to provide better business for all our stakeholders in combination with the support and diverse expertise of our non-executive board with their collective wealth of experience.



Kamal Sarada  
Director and CEO India



Mihir Bajoria  
Chairman, Monocon



Rajesh Agarwal  
Director - General Counsel



Mark Payne  
CEO & Director, Monocon



Thorsten Reuther  
Managing Director,  
Hofmann Ceramic



Mukesh Rawal  
President - Mono Ceramics,  
Head of IFGL Group Americas



Samit Sengupta  
Chief Sales Officer



Arasu S  
Chief Operating Officer



Amit Agarwal  
Chief Financial Officer



Mansi Damani  
Company Secretary

# Refractory Solutions Worldwide



10 state-of-the-art Manufacturing Facilities | 50+ Sales & Marketing network across the globe

## Acquisition of Sheffield Refractories Ltd.

IFGL Refractories Ltd is pleased to announce that on Friday, 24 February 2023, the company's wholly-owned subsidiary in the UK, Monocon International Refractories Ltd, has completed the acquisition of 100% shareholding of Sheffield Refractories Limited ('SRL'). SRL is a manufacturer and installer of monolithic refractory products, shotcreting materials and an extensive range of other specialised monolithic products.

According to the Managing Director of the company, James McIntosh: "Sheffield Refractories is a strategically important acquisition for the IFGL Group, which significantly expands our UK presence whilst also initiating a process of strategic acquisitions designed to expand our operational markets within the Iron and Steel Industry".



## New Products & Innovations



To meet the diverse buyer requirements, more products will be manufactured at our Visakhapatnam facility soon. Further expansion plans are already in place, for new product lines, like casting fluxes, refractory bricks, and more.

With the fully functional Visakhapatnam plant, we are now all set to add new product lines to the entire IFGL group for the domestic & export markets.

## Records & Highlights

IFGL has marked a key milestone with record-breaking performance in CSP Caster at JSW Bhushan Power & Steel Limited (JSW BPSL).

We are proud to have helped JSW BPSL achieve a tundish sequence of L+45 heats and a casting duration of 27 hours and 26 minutes, with our specially designed Thin Slab Sub-Entry Nozzle (SEN), along with other tundish refractories. With the sequence, the total tonnage cast was ~4647 MT.



Record-Breaking Performance in CSP Caster at JSW BPSL



IFGL Posts Single-Day Highest Open Casting Record at SAIL IISCO

In January 2023, we achieved a milestone for the highest open casting record for 6 strand billet tundish at SAIL IISCO Steel Plant, Caster – 1 with IFGL Nozzle Changer Mechanism. With the help of the SAIL IISCO team, we achieved 53 heats casting over 42 hours and 53 minutes.



## CSR Activities

IFGL, as a socially responsible organisation, maintains an unwavering dedication to fulfilling its social obligations and continually strives to enhance the value of its actions and operations.



Promoting education and equal opportunities for children from less-privileged backgrounds has always been a priority for the IFGL Group



# Upcoming Technology Centre



State-of-the-art and fully equipped refractory and ceramics research and development centre at Rourkela, Odisha, India.

## Global Addresses

### Asia

#### Kolkata | India

**IFGL Refractories Limited**  
McLeod House  
3 Netaji Subhas Road,  
Kolkata 700 001, India

#### Kalunga | India

**IFGL Refractories Limited**  
Sector – B, Kalunga Industrial Estate,  
P. O. Kalunga 770 031  
Dist: Sundergarh, Odisha, India

#### Kandla | India

**IFGL Refractories Limited**  
Plot Nos. 638-644, Kandla SEZ,  
P.O. Gandhidham 370 230  
Dist: Kutch, Gujarat, India

#### Visakhapatnam | India

**IFGL Refractories Limited**  
Plot No. 15G, 15G1, 15H Industrial Park,  
APIIC-Denotified Area,  
Atchutapuram, APSEZ, P. O. 531011,  
Visakhapatnam, Andhra Pradesh, India

#### Tianjin | China

**Tianjin Monocon Refractories Co. Ltd.**  
Tianjin Economic  
Development Area  
Tianjin – 300 457, P R China

### Europe

#### Sheffield | England

**Sheffield Refractories Limited**  
Bradshaw Wood,  
Swinston Hill Road,  
Dinnington, Sheffield. S25 2RY

#### Doncaster | United Kingdom

**Monocon International Refractories Ltd.**  
Old Denaby, Doncaster,  
South Yorkshire  
DN12 4LQ, United Kingdom

#### Breitscheid | Germany

**hofmann CERAMIC GmbH**  
Mühlweg 14  
D-35767 Breitscheid

### North America

#### Ohio | USA

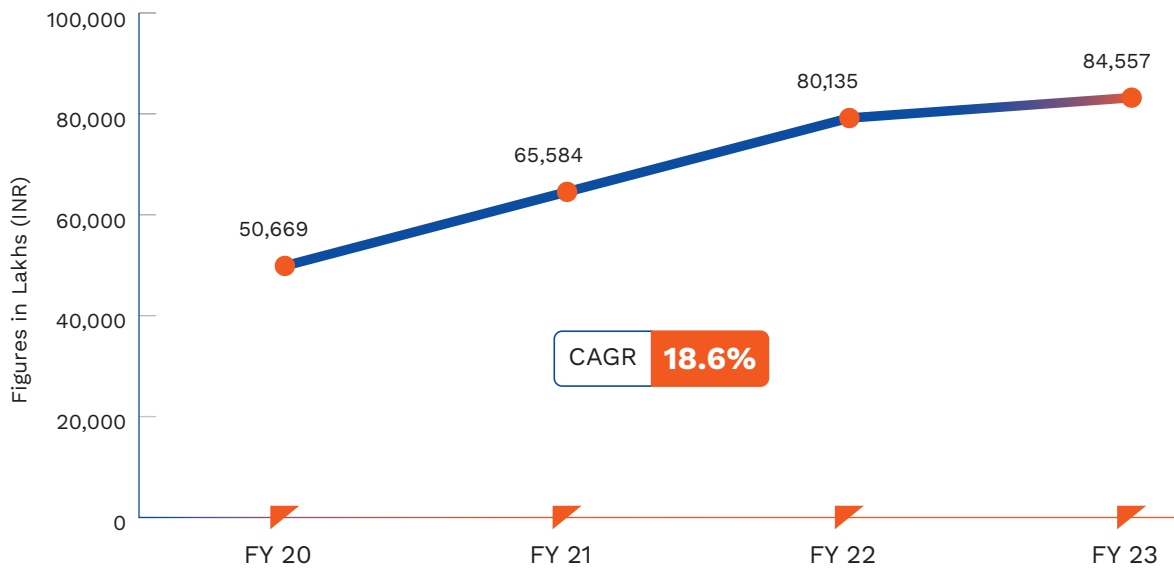
**E.I. Ceramics LLC**  
2600 Commerce Blvd  
Cincinnati, Ohio 45241, USA

#### Michigan | USA

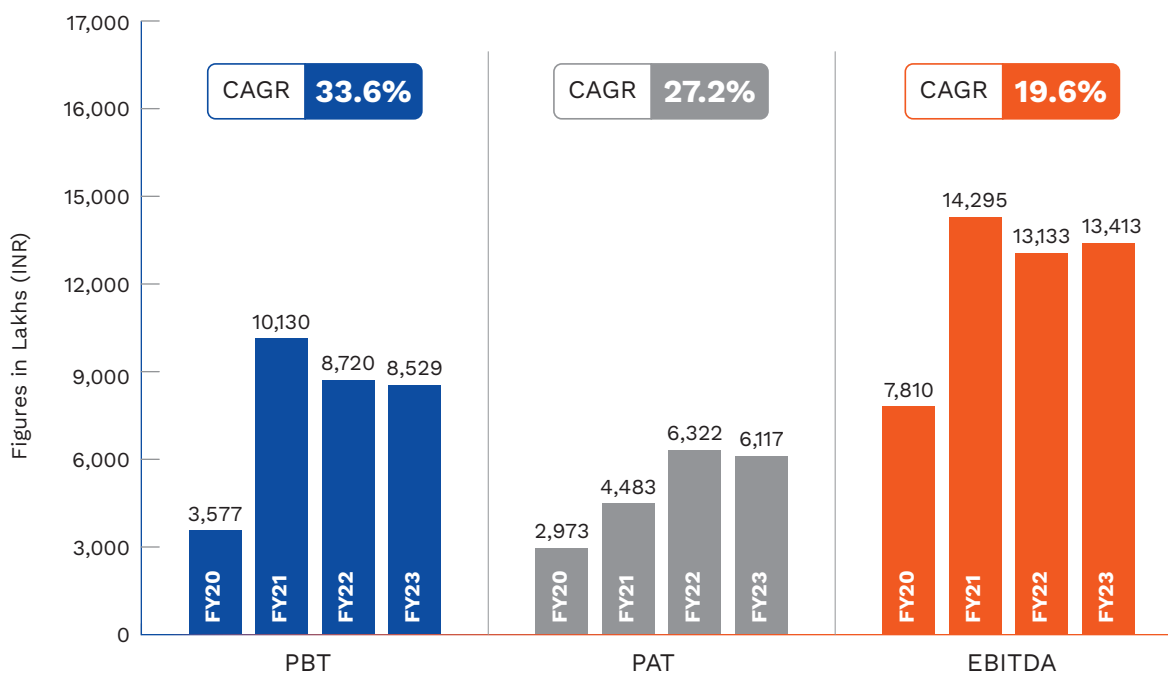
**Mono Ceramics Inc.**  
Benton Harbor,  
Michigan 49022, USA

# Standalone Financial Highlights

## Total Income



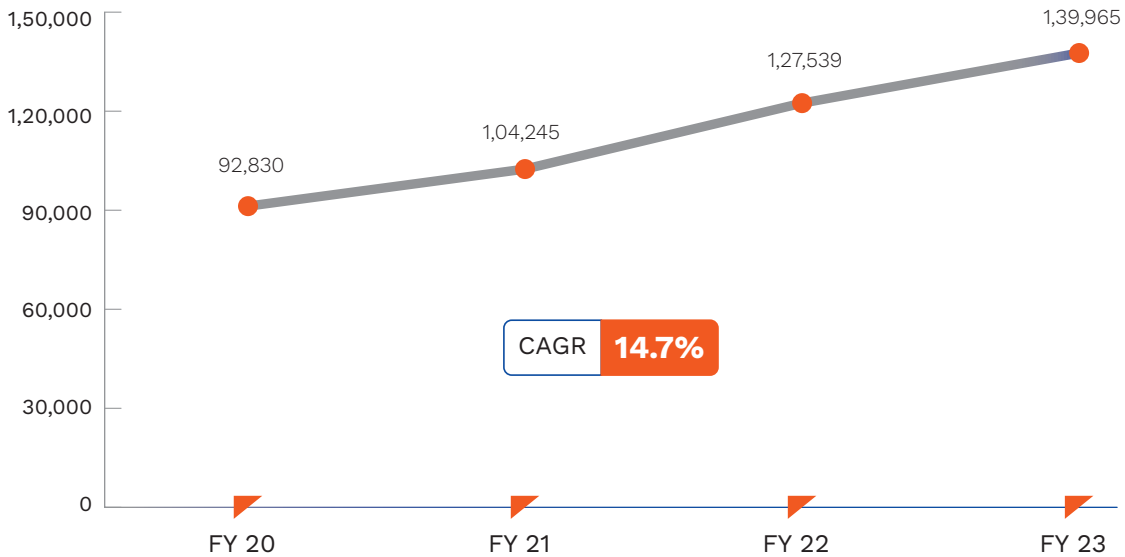
## PBT, PAT and EBITDA



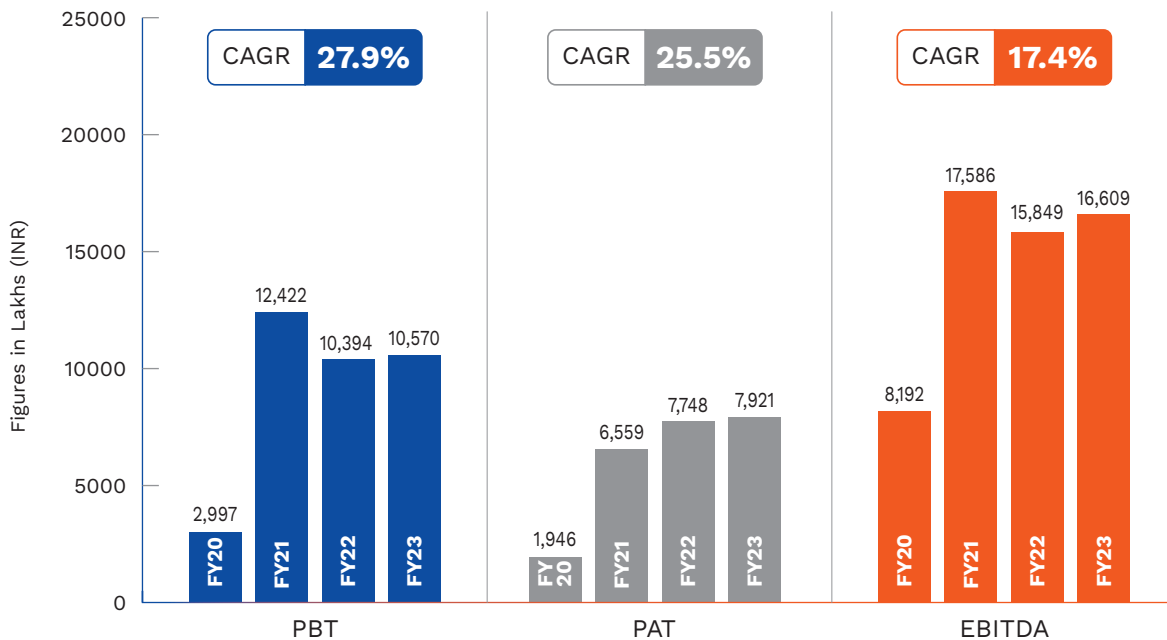
# Consolidated Financial Highlights



## Total Income



## PBT, PAT and EBITDA





## Directors' cum Management Discussion and Analysis Report

*Dear Shareholders,*

Your Directors take pleasure in presenting Statement of Accounts, both on Consolidated and Standalone basis, for Financial Year (FY) 2022-23 together with Report of the Auditor's forming part thereof.

### Financial Results

Financial Results for FY 2022-23 are summarized below :

(₹ in Millions)

	Consolidated	Standalone
Revenue from Operations	13,865.03	8,333.66
Other Income	131.49	122.03
<b>Total Income</b>	<b>13,996.52</b>	<b>8,455.69</b>
Profit before Depreciation, Interest and Tax (PBDIT)	1,660.94	1,341.30
Depreciation and Amortisation	555.55	442.85
Finance Cost	48.40	45.59
<b>Profit before Exceptional Items and Tax</b>	<b>1,056.99</b>	<b>852.86</b>
Exceptional Items	-	-
<b>Profit before Tax</b>	<b>1,056.99</b>	<b>852.86</b>
Tax Expense	264.93	241.12
<b>Profit for the year after Tax</b>	<b>792.06</b>	<b>611.74</b>
Other Comprehensive Income/(Loss) for the year, Net of Tax	170.38	0.39
<b>Total Comprehensive Income for the year</b>	<b>962.44</b>	<b>612.13</b>
<b>Basic and Diluted Earnings per Share (₹)</b>	<b>21.98</b>	<b>16.97</b>
<b>Disclosures under Regulation 34(3) read with Clause B of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015)</b>		
i) Debtors Turnover Ratio *	4.46:1	4.38:1
ii) Inventory Turnover Ratio **	2.93:1	2.85:1
iii) Interest Coverage Ratio	22.84:1	19.71:1
iv) Current Ratio	2.71:1	2.98:1
v) Debt Equity Ratio	0.16:1	0.18:1
vi) Operating Profit Margin (%)	7.02%	9.32%
vii) Net Profit Margin (%)	5.71%	7.34%
viii) Return on Net Worth(%)	7.88%	9.83%

\* Debtors Turnover Ratio = Revenue from Operations/Average Trade Receivables

\*\* Inventory Turnover Ratio = Cost of Goods Sold/Average Inventory.

Total Income on Consolidated and Standalone basis, have increased by 9.74% and 5.52% respectively for the year compared to that of preceding year. Profit before Tax and Profit for the year have however remained more or less similar to that of preceding year primarily because of increased cost of inputs including raw materials both indigenous and imported, which has to some extent been offset by price increases negotiated and received from customers over the year. Full effect of such price increases will be felt in current Financial Year i.e. FY 2023-24 although such endeavor is continuing and price of key raw materials have more or less stabilized. Considering market situation and macro economic factors prevailing in India and abroad and having influence on producers of Iron and Steel, your Company primarily being supplier to them, performance of your Company for the year appears to be satisfactory to your Directors. It is however continued endeavor of your Directors to improve performance of your Company and in this regard, several measures have been taken and this will continue.

# Directors' cum Management Discussion and Analysis Report (Contd.)

## Dividend

Following Dividend Distribution Policy of your Company, copy whereof is available at <https://ifglgroup.com/wp-content/uploads/2023/04/Dividend-Distribution-Policy.pdf>, your Directors are pleased to recommend payment of Final Dividend of 70% i.e. ₹ 7 per Equity Share for FY 2022-23 subject to your approval at ensuing Annual General Meeting and deduction of Tax at Source.

## Industry Review, Future Outlook and Expansion Plans

In general, Refractory Industry is performing well. Barring weakness in Europe because of Macro Economic factors and Russia-Ukraine war affecting them, overall demand for Iron and Steel continues to persist. In fact, Steel Industry in India is on expansion mode to cater to ever increasing demand because of Government's initiatives for bolstering infrastructure building and capital goods manufacturing. India has emerged as the 5th largest Economy in the World. It is also projected that India will become 20 trillion USD Economy by 2047, if it manages to achieve a sustained growth of 7 to 7.5 percent over the next 25 years. India is most populous country in the world with demographics of young people. All these have led and leading to increased demand for products and services of your Company and to meet the same, your Company has taken several steps for expanding capacity at its manufacturing facilities. For this purpose, your Company has also acquired few plots of land neighboring its Kalunga (Odisha) and Kandla (Gujarat) manufacturing facilities, construction work whereat is going on. Capacity at your Company's manufacturing facility at Vizag (Andhra Pradesh) has been/is being enhanced.

On 24th February 2023, your Company's UK Step Down Subsidiary, Monocon International Refractories Limited acquired 100% shareholding of Sheffield Refractories Ltd (SRL), UK engaged in manufacture and installation of Monolithic Refractory products with a specific interest in Blast Furnace Cast House products, Shotcreting Materials and an extensive range of other specialist Monolithic Product for use in the Iron and Steel, Cement, Incineration and Waste to Energy Industries. Acquisition of SRL will enable your Company and its Subsidiaries to offer bigger basket of products to Customers.

New state-of-art Technology Center at your Company's Kalunga (Rourkela) facility is going to be operational during Current Financial Year. Such Technology Center will bring efficiencies, both direct and indirect, to your Company.

Yours Directors are of the view that your Company has an extremely bright and prosperous future going forward barring unforeseen circumstances.

## Subsidiaries

Performance of your company's Subsidiaries have been excellent in as much as Consolidated Revenue of your Company's immediate Subsidiary, IFGL Worldwide Holdings Limited, for the Year has increased by 23% over that of preceding FY 2021-22. Profit before Tax and Profit for the Year also increased by 45% and 51% respectively. The recent acquisition of SRL will further fuel performance of your Company's Subsidiaries.

## Business Responsibility and Sustainability Report

Provisions relating to Business Responsibility and Sustainability brought in by Securities and Exchange Board of India (hereon 'SEBI') are applicable from FY 2022-23 as the Company was one of the top 1000 Companies by Market Capitalization as on 1st April 2022. Your Company's Business Responsibility and Sustainability Report for FY 2022-23 following guidance being received from one of the top four consulting firms with regard to matters relating to Environment Sustainability and Governance (ESG), as per provisions of Regulation 34(2)(f) of SEBI LODR, 2015 is annexed hereto as **Annexure 'A'**. A copy of such Report is also appearing at <https://ifglgroup.com/investor/meetings-reports/>

## Corporate Governance/Vigil Mechanism etc

Corporate Governance Report (CG Report) conforming provisions of Regulation 34 of the SEBI LODR, 2015, amended to date and notifications, circulars, clarifications etc issued by SEBI from time to time form part of this Report and is annexed as **Annexure 'B'**.

Your Company has in place Policies including Vigil Mechanism (Whistle Blower), Prevention of Sexual Harassment, Insider Trading and Risks Management etc commensurate to nature and size of business of the Company. Said Policies are also appearing at <https://ifglgroup.com/investor/policy/>. No complaint and/or alert was received under said Policies. Internal Complaints Committee following provision of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 are also in place and functioning.

## Disclosures

As required by Section 92(3) read with Section 134(3)(a) of the Act, Annual Return has been hosted at [https://ifglgroup.com/wp-content/uploads/2023/07/Annual\\_Return.pdf](https://ifglgroup.com/wp-content/uploads/2023/07/Annual_Return.pdf). Information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in **Annexure 'C'**. During FY 2022-23, your Company entered into transactions with related parties in





## Directors' cum Management Discussion and Analysis Report (Contd.)

ordinary course of business at arms length. Accordingly, Form AOC-2 has not been annexed hereto with particulars of such transactions. Your Company has neither given loans or guarantees or made investments under Section 186 of the Act. Your Company also did not accept deposits. Evaluation of performance of your Company's Board of Directors and its Committees and individual Directors including Independent Directors and Chairman of Board has been carried out. Outcome is that the Board and its Committees have been functioning satisfactorily and flow of information has been commensurate to the nature of business and size of your Company. Your Directors received briefings on key matters including regulatory, which went on their performance.

Following announcement of Quarterly and Annual Results, your Company made presentations, did conference calls and interacted with investors at large for enhanced confidence. 9.91% of your Company's Equity Shares as on 31st March 2023, was held by Mutual Funds.

A statement in Form AOC-1 having financial information of Subsidiary Companies form part of this Report as **Annexure 'D'**. Your Company does not have any Indian Subsidiary. Shareholders of the Company who are desirous of having complete Statement of Accounts and related detailed information of Subsidiary Companies, may send their request therefor to the Company's Registered Office. They are available for inspection electronically to the members during working hours on working days (excluding Saturday) provided prior request therefor is sent at [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in) and are also available on Company's website : [www.ifglgroup.com](http://www.ifglgroup.com).

Internal Control System with the help of external and internal auditors functioned well and effectively. It continued to be commensurate with size and nature of Company's Business. Said System was periodically reviewed and changes were made wherever and whenever necessary. Internal Financial Controls were also adequate.

Other disclosures including those to be made as per Section 134(3) of the Act read with Rules framed for the purposes thereof and those in SEBI LODR, 2015 have been included in Annexures forming part of this Report and also in audited Statement of Accounts and Notes thereto. For the sake of brevity they have not been reproduced again. CG Report contained details of meetings of the Board of Directors and Committees thereof held during FY 2022-23 and attendance thereat. There has not been any material change and/or commitment affecting financial position of your Company between end of FY 2022-23 and date of this Report. None of the regulators or courts or tribunals passed any Order likely to impact going concern, status or operations in future of your Company.

Following Regulation 17(8) read with Part B of Schedule II of SEBI LODR, 2015, Certificate on Financial Statements has been received from Director and Chief Executive Officer and Chief Financial Officer of the Company.

Your Company placed utmost importance to IT security and have strengthened the same including by introducing checks and balances.

### **Directors Responsibility Statement**

Your Directors state that :

- a) in preparation of Annual Accounts, applicable Accounting Standards have been followed.
- b) Accounting Policies selected and applied are consistent and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the FY and of the Profit and Loss of the Company for that period.
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities.
- d) the Annual Accounts have been prepared on a Going Concern basis.
- e) Internal Financial Controls i.e. policies and procedures for ensuring orderly and efficient conduct of business, including adherence to Company's Policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information, have been laid down and that such controls are adequate and operating effectively.
- f) Proper systems to ensure compliance with provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

Financial Statements for FY 2022-23 have been audited in accordance with Accounting Principles Generally Accepted in India as indicated in Report of the Statutory Auditors.

### **CSR, Human Resource and Industrial Relations**

Annual Report in compliance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 form part of this Report as **Annexure 'E'**. Other details relating to Company's CSR are forming part of CG Report.

## Directors' cum Management Discussion and Analysis Report (Contd.)

Similarly, particulars of Nomination and Remuneration Committee (NRC) are also existing in CG Report. Nomination and Remuneration Policy adopted by your Directors based on recommendation of NRC is available at [https://ifglgroup.com/wp-content/uploads/2023/04/nomination\\_an\\_remuneration\\_policy2018.pdf](https://ifglgroup.com/wp-content/uploads/2023/04/nomination_an_remuneration_policy2018.pdf). Said Policy inter-alia provide for matters concerning Directors appointment and remuneration including criteria for determining qualifications, positive attributes, Independence of Directors and those provided in Section 178(3) of the Act.

An Annexure having information following provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report as **Annexure 'F'**.

During FY 2022-23, 5 (five) persons (including Executive Directors) employed with the Company received remuneration of ₹ 102 lakhs per annum or more or ₹ 8.5 lakhs per month or more. As on 31st March 2023, the Company had employed 1275 people worldwide including 948 in India.

Industrial Relations continued to remain cordial in your Company. Conducive working environment was provided to employees and trainings imparted thereby helping the employees to increase their skills and productivity. Compensation and benefits provided to the employees have also been no lesser than and comparable with those of the peers. This continued to motivate employees at large resulting in low attrition.

### Consolidated Financial Statements

In accordance with IND AS 110 and other relevant provisions particularly Section 129(3) of the Act, Consolidated Financial Statements duly audited by Statutory Auditors, M/s S R Batliboi & Co. LLP (Regd No. 301003E/E300005) form part of this Annual Report. Consolidated Financial Statements have been prepared considering Financial Statements of Subsidiary Companies and Reports of Auditors relating thereto.

### Directors and Key Managerial Personnel (KMP's)

Ms Anita Gupta and Mr Gaurav Swarup were appointed Independent Directors of your Company on and from 12th October 2022, for a period of 5 (five) years. Your Directors are of the opinion that both of them possess adequate integrity, expertise and experience to function as Independent Directors of the Company. Mr Rajesh Agarwal, who was holding the office of Company Secretary, was elevated and appointed as Director – General Counsel on 12th November 2022, for a period of 3 (three) years. Effective 12th November 2022, Mrs Mansi Damani was appointed as Company Secretary.

Mr K S B Sanyal, who tendered resignation and ceased to hold the office of Independent Director of your Company on and from 28th May 2022, due to age and health related issue, passed away on 13th February 2023. Your Directors placed on record deepest condolences and pray that his departed soul remain in peace.

Your Directors following recommendation of the Nomination and Remuneration Committee and subject to your approval have re-appointed Mr Kamal Sarda (DIN - 03151258) as Whole-time Director of the Company for the period 1st June 2023 to 30th November 2024, both days inclusive, on terms and conditions including remuneration, perquisites and other entitlements similar to that of his appointment in place as on 27th May 2023, and ending on 30th September 2023, which will stand superseded on and from 1st June 2023. Mr Sarda will also retire by rotation at forthcoming Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment for further period liable to retire by rotation. Accordingly a Special Resolution has been included in the Notice of forthcoming AGM for your approval for re-appointment of Mr Kamal Sarda as Whole-time Director of the Company on and from 1st June 2023. Your Directors recommend passing of said Special Resolution being in the interest of your Company. Since the Company has operations in multiple locations, effective 1st June 2023, Mr Sarda has been designated as Director and CEO India.

Particulars of the Company's Key Managerial Personnel, are appearing at Note 36 of Audited Statement of Accounts as per Section 203 of the Act. All Independent Directors have given their Statement of Declaration under Section 149(7) of the Act and continue to fulfil independence criteria and other conditions specified in the Act and SEBI LODR, 2015.

All of the Directors and Senior Management Personnel as on 31st March 2023, have confirmed compliance of Code of Conduct for Board of Directors including Independent Directors and Senior Management Personnel of the Company. This Code continues to help the Company maintain standard of ethics and ensure compliance of legal requirements applicable.

### Cost Auditor

To the extent provisions of Section 148 of the Act are applicable, your Company maintained accounts and records during FY 2022-23. M/s Mani & Co., Practicing Cost Accountant have been re-appointed as Cost Auditors of the Company for FY 2023-24. Your approval for payment of remuneration not exceeding ₹ 5 lakhs to them is being sought inasmuch as Ordinary Resolution has been included in Notice of forthcoming AGM.



## Directors' cum Management Discussion and Analysis Report (Contd.)

### Secretarial Auditor

Secretarial Audit Report in Form MR-3 following provisions of Section 204 of the Act of M/s S M Gupta & Co., Practicing Company Secretaries form part hereof as **Annexure 'G'**. Following Regulation 24A of SEBI LODR, 2015, Secretarial Auditor have also carried out Secretarial Compliance Audit for FY 2022-23. Both Report and Certificate are free of qualification, reservation or adverse remark.

### Auditors' Report and Auditors

Report of the Statutory Auditors, M/s S R Batliboi & Co. LLP (Regd No. 301003E/E300005), Chartered Accountants on Statement of Accounts for FY 2022-23 on Standalone and Consolidated basis are self-explanatory. Their Reports have no qualification, reservation, adverse remark or disclaimer except 2 (two) Emphasis of Matters. They have also not reported any fraud under Section 143(12) of the Act. Their appointment will come to an end on conclusion of 17th AGM and have confirmed that they continue to comply with all requirements and criteria specified and are qualified to act as Auditors of the Company.

### Acknowledgement

Your Directors thank all concerned particularly you the Shareholders for your continued support.

On behalf of the Board of Directors

Kolkata  
27th May 2023

**S K Bajoria**  
*Chairman*  
(DIN - 00084004)

**James L McIntosh**  
*Managing Director*  
(DIN - 09287829)

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report

IFGL Refractories Ltd (hereon 'the Company') is one of the prominent manufactures of Specialized Refractories and Total Refractory Solution Provider to the producers primarily of Iron and Steel in India and abroad. The Company firmly believes in sound Sustainability principles addressing various facets of good governance as well as Environmental and Social Responsibility and have made them integral part of its operations.

### SECTION A : GENERAL DISCLOSURE

#### I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L51909OR2007PLC027954
2.	Name of the Entity	IFGL Refractories Limited
3.	Year of Incorporation	2007
4.	Registered Office Address	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770031 Dist. Sundergarh, Odisha
5.	Corporate Address	McLeod House, 3, Netaji Subhas Road Kolkata 700001, West Bengal
6.	E-mail	<a href="mailto:ifgl.ho@ifgl.in">ifgl.ho@ifgl.in</a> and <a href="mailto:ifgl.works@ifgl.in">ifgl.works@ifgl.in</a>
7.	Contact Number (Telephone)	033 40106100
8.	Website	<a href="http://www.ifglgroup.com">www.ifglgroup.com</a>
9.	Financial Year for which reporting is being done	1 April 2022 to 31 March 2023
10.	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> <li>BSE Limited (Scrip Code: 540774)</li> <li>National Stock Exchange of India Ltd (Scrip Code: IFGLEXPOR)</li> </ul>
11.	Paid-up Capital	₹ 3603.93 lakhs
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR	Mr. Rajesh Agarwal, Director – General Counsel <b>Contact Details:</b> E-mail: <a href="mailto:rajesh.agarwal@ifgl.in">rajesh.agarwal@ifgl.in</a> Direct No. +91 33 40106114
13.	Reporting Boundary	Standalone

Throughout this Report, the phrase 'IFGL' or 'the Company' refers to the IFGL Refractories Limited.

#### II. Products/Services

##### 14. Details of business activities (accounting for 90% of the Turnover) :

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity (FY 2022-23)
1.	Manufacturing, Trading and Sale of Refractories and Services thereof.	The Company is one of the prominent Manufacturer and Trader of Specialised Refractory products and Total Refractory Solution Provider.	100%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

Sl. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1.	Manufacturing, Trading and Sale of Refractories and Services thereof.	23911, 23913	100%

#### III. Operations

##### 16. Number of Locations where Plants and/or Operations/Offices of the Entity are situated :

Location	Number of Operational Locations	Number of Offices	Total number of Plants and/or Operations/Offices
National	3	1	4
International	7*	1@	8

\* Through Step Down Operating Subsidiaries in China (PRC), Germany, UK, and USA.

@ Branch at RAS AL Khaimah FTZ, UAE

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### 17. Markets served by the entity :

#### a. Number of Locations

Locations	Number
National (No. of States)	Across India
International (No. of Countries)	Across the World

#### b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nearly 45% of Total Turnover of Standalone entity.

#### c. A brief on types of Customers

Customers of the Company primarily are producers of Iron and Steel situated in India and abroad spread throughout the World.

### IV. Employees

#### 18. Details as at the end of Financial Year :

##### a. Employees and Workers (including differently abled) :

Sl. No.	Particulars	Total(A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
1.	Permanent (D)*	948	938	98.95	10	1.05
2.	Other than Permanent (E)	657	556	84.63	101	15.37
3.	Total employees (D + E)	1605	1494	93.08	111	6.92

\*Including Full Time Retainers for Fixed Period

##### b. Differently abled Employees and Workers – Nil

#### 19. Participation/Inclusion/Representation of Women

Category	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11
Key Management Personnel (KMP)*	6	1	16.66

\*4 (four) KMP's form part of the Board of Directors (hereon 'Board')

#### 20. Turnover rate for permanent employees and workers

Category	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees and workers	12.49%	20.00%	12.57%	8.77%	-	8.67%	9.19%	-	9.07%

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### V. Holding, Subsidiary and Associate Companies (including Joint Ventures)

#### 21. (a) Names of Holding/Subsidiary/Associate Companies/Joint Ventures

Sl. No.	Name of the Holding/Subsidiary/Associate Companies/Joint Ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by Listed Entity	Does the entity indicated in column A participate in the Business Responsibility initiatives of the Listed Entity? (Yes/No)
<b>Holding Company</b>				No
1.	Bajoria Financial Services Private Limited	Holding	NA	
<b>Subsidiary including Step Down Subsidiary</b>				No, Subsidiary Companies operate in different geographies and undertake their own business responsibility and sustainability initiatives.
1.	IFGL Worldwide Holdings Limited, Isle of Man	Subsidiary	100	
2.	EI Ceramics LLC, USA	Step Down Subsidiary	100	
3.	Goricon Metallurgical Services Limited, UK	Step Down Subsidiary	100	
4.	Hofmann Ceramic CZ s.r.o., Czech Republic	Step Down Subsidiary	98.78	
5.	Hofmann Ceramic GmbH, Germany	Step Down Subsidiary	100	
6.	IFGL GmbH, Germany	Step Down Subsidiary	100	
7.	IFGL Inc., USA	Step Down Subsidiary	100	
8.	IFGL Monocon Holdings Limited, UK	Step Down Subsidiary	100	
9.	Mono Ceramics Inc, USA	Step Down Subsidiary	100	
10.	Monocon International Refractories Limited, UK	Step Down Subsidiary	100	
11.	Monocon Overseas Limited, UK	Step Down Subsidiary	100	
12.	Monotec Refratarios Ltda, Brazil	Step Down Subsidiary	95	
13.	Sheffield Refractories Limited, UK	Step Down Subsidiary	100	
14.	Tianjin Monocon Aluminous Refractories Company Limited, PRC	Step Down Subsidiary	100	
15.	Tianjin Monocon Refractories Company Limited, PRC	Step Down Subsidiary	100	

### VI. CSR Details

#### 22. Details of CSR :

(₹ in lakhs)

Sl. No.	Particulars	Details
(i)	Whether CSR is applicable as per Section 135 of Companies Act, 2013	Yes
(ii)	Turnover (FY 2022-23)	83,336.57
(iii)	Networth (FY 2022-23)	62,229.27

### VII. Transparency and Disclosures Compliances

#### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct :

The Company has identified its external and internal stakeholders through stakeholder mapping and periodic stakeholder engagement exercises. The Company has implemented a Grievance Redressal Mechanism to address Grievances if any raised by any group of Stakeholders i.e., by both External and Internal stakeholders.



## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and Workers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Customers	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Others	NA	NA	NA	NA	NA	NA	NA

### 24. Overview of the Entity's Material Responsible Business Conduct Issues

The Company engaged experts to carry out materiality and peer benchmarking assessment to identify key material Environmental, Social and Governance (ESG) and other issues. Any mis-management thereof may affect business continuity and lead to other uncalled for disruptions and consequential affects. Based on outcome of such exercise, the Company has developed its roadmap on ESG and other material aspects with short, medium and long term objectives and goals.

Sl. No.	Material Issues Identified	Indicate Risk/ Opportunity	Rationale for Identifying Risk and Opportunity. In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate Positive/Negative implications)
<b>General</b>				
1.	Economic Performance	Opportunity & Risk	Focus on succession planning, undertaking well defined programmes for upgradation of technologies, competences, capacity building, training, and learning from time to time to enable the growth.	Financial growth would serve the interest of all the stake holders of the Company.
2.	Ethics, Integrity & Governance	Opportunity & Risk	The Company has zero tolerance for statutory non-compliances. Ethical standards are demonstrated without any delay to ensure rigour and communication. Bringing 'Code of Conduct' into a realm of discussion while handling dilemmas, conflicting choices, and paradoxes.	<ul style="list-style-type: none"> <li>• These mitigation practices help us with de-risking operations, healthy work environment which brings better productivity.</li> <li>• Adherence to regulatory compliance, attract customers and grow business.</li> <li>• Stakeholders are an important part of our business and partners in our business processes. Hence, a productive and proactive approach to stakeholder engagement is a priority of the Company.</li> </ul>

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Sl. No.	Material Issues Identified	Indicate Risk/ Opportunity	Rationale for Identifying Risk and Opportunity. In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate Positive/Negative implications)
3.	Community Development	Opportunity	The Company believe in overall development of Communities neighbouring its Manufacturing Facilities for Long-Term Sustainable Growth.	Contributions made by the Company towards upliftment of the Communities through various initiatives and partnerships focusing on health, education, human life upliftment, among others, elevates the Company's brand value among the local communities' members as well as contributes towards positive social performance.
<b>Environment</b>				
4.	GHG Emission	Risk	Developed Standard Operating Procedure to quantify scope 1, 2 and 3 emissions.	Negative
5.	Waste Management	Opportunity & Risk	<ul style="list-style-type: none"> <li>Implemented Waste Management programmes in the Company and imparted training thereon to Employees.</li> <li>Identified waste generated from operations and implemented procedures for disposal thereof following regulatory provisions.</li> <li>The Company is in the process of setting up a state-of-art Research Center at Kalunga (near Rourkela) manufacturing facility. One of the objectives of said Research Centre is to evolve methods to recycle process/product wastes.</li> <li>Used Refractories are recycled in production.</li> </ul>	Negative
6.	Supply Chain	Risk	<ul style="list-style-type: none"> <li>Developed Policy and Standard Operating Procedure, as per need of the Company and industry best practices.</li> <li>Developed assessment mechanism to track ESG performance of the key Suppliers.</li> </ul>	Negative
7.	Climate Change Strategy	Risk	<ul style="list-style-type: none"> <li>Planned to integrate clean energy options, wherever possible.</li> <li>Investment of Capital in Assets that will serve diversified electricity and fuel retrofitting on the energy supply system.</li> </ul>	Positive
8.	Energy Management	Opportunity	Developed Standard Operating Procedure to track energy consumption and conducted energy audit to identify opportunities for energy conservation.	Positive
9.	Water Management	Risk	Water and waste water management procedure has been developed and being implemented.	Positive

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Sl. No.	Material Issues Identified	Indicate Risk/ Opportunity	Rationale for Identifying Risk and Opportunity. In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate Positive/Negative implications)
<b>Social</b>				
10.	Employee Health and Safety	Risk	<p>Developed Standard Operating Procedures for Employee's Health and Safety based on activities performed in Company's Manufacturing Facilities. Following procedures have also been developed on Health and Safety Management:</p> <ul style="list-style-type: none"> <li>• Industrial Hygiene.</li> <li>• Safety during Height Work.</li> <li>• Electrical Safety etc.</li> <li>• Use of Personal Protective Equipment.</li> <li>• Chemical and Spill Management.</li> <li>• Emergency Response.</li> </ul> <p>The Company has also imparted training on various Health and Safety aspects to on roll Employees and Contractual Workers.</p>	Negative
11.	Product Quality	Opportunity	<p>The Company is committed to deliver quality products and services to its Customers. To further strengthen this, the Company is setting up a state-of-art Research Center, at Kalunga (near Rourkela), Manufacturing Facility. One of the objectives thereof is to improve Product Quality and Performance.</p>	Positive
12.	Human Resource Management	Opportunity	<ul style="list-style-type: none"> <li>• Providing need-based and innovative range of training courses.</li> <li>• Attracting and developing right talent ensuring professional development and personal well being throughout their tenure with the Company.</li> <li>• Providing programmes that are specifically designed for roles which require upgraded skills.</li> </ul>	Positive
13.	Human Capital Development			
14.	Customer Relationship Management	Opportunity	<p>Customer Relationship Management will help the Company to understand Customer's Requirements on ESG Perspective.</p>	Positive
15.	Employee Well Being	Opportunity	<p>The Company has adopted employee well being initiatives within its Business as per Industry best practices.</p>	Positive
16.	Community Relationship	Opportunity	<p>The Company is driving Community Relationships through its CSR activities.</p>	Positive
<b>Governance</b>				
17.	Corporate Governance	Risk	<p>Company's Board members conducted periodic review and updation of all Governance related Policies in the Business.</p>	Negative
18.	Anti-Competitive/ Corruption Behavior	Risk	<p>ABAC Policy is in the process of being developed and implemented by the Company.</p>	Negative

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Sl. No.	Material Issues Identified	Indicate Risk/ Opportunity	Rationale for Identifying Risk and Opportunity. In case of risk, approach to adapt or mitigate	Financial implication of the risk or opportunity (Indicate Positive/Negative implications)
19.	Whistle Blower Initiative	Risk	Whistle Blower Policy has been developed and Trainings given on important aspects of the Policy.	Negative
20.	Diversity, Inclusion, and Equity	Opportunity	The Company has developed a Commitment Document or Policy pertaining to Diversity, Inclusion and Equity and implementing the same in its Business Activity.	Positive
21.	Stakeholder Engagement	Opportunity	Identified key Stakeholders and developed Stakeholder Management Plan to assess stakeholder expectations	Positive
22.	Leadership within Management	Positive	The Company has developed and implemented procedures on ESG Leadership.	Positive
23.	Data Security and Privacy	Risk	Developed Information and Cyber Security and Data Privacy Policy along with Standard Operating Procedure, which articulates framework for protecting confidential data of the Company.	Negative

### SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

The Company has put in place structures, Policies and processes conforming to below mentioned National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements. NGRBC principles are :

P. No.	Principle Description
P1.	Business should conduct and govern themselves with integrity, and in a manner that is <b>Ethical, Transparent and Accountable</b> .
P2.	Business should <b>provide Goods and Services in a manner that is Sustainable and Safe</b> .
P3.	Business should <b>respect and promote the well-being of all Employees</b> , including those in their Value Chains.
P4.	Businesses should <b>respect the interests of and be responsive to all its Stakeholders</b> .
P5.	Business should <b>respect and promote Human Rights</b> .
P6.	Business should <b>respect and make efforts to protect and restore the Environment</b> .
P7.	Businesses, when <b>engaging in influencing public and regulatory policy, should do so in a manner that is Responsible and Transparent</b> .
P8.	Business should <b>promote Inclusive Growth and Equitable Development</b> .
P9.	Businesses should <b>engage with and provide value to their Consumers in a Responsible Manner</b> .

### 10. Details of Review of NGRBCs by the Company :

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>									
1. a. Whether your Entity's Policy/Policies cover each Principle and its Core Elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the Policy been approved by the Board? (Yes/No)	All the Policies of the Company are either approved by the Board or Top Management of the Company based on the nature of the Policy.								
c. Web Link of the Policies, if available	Pertinent Policies that are developed and implemented by the Company as per the NGRBC requirement are uploaded on the website of the Company <a href="https://ifglgroup.com/investor/policy/">https://ifglgroup.com/investor/policy/</a>								

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has Translated the Policy into Procedures. (Yes/No)	Yes, the Company has developed different Procedures on Policies and implemented the same across different levels of its Operation. Different committees and personnel from the Company are designated with specific responsibilities for efficient implementation of these Policies and Procedures.								
3. Do the enlisted Policies extend to your Value Chain Partners? (Yes/No)	The Company has integrated Transparent Business Practices as one of the Core Values. It communicates Policies and Procedures to its Value Chain Partners such as Suppliers, Logistics Service Providers as applicable. Therefore, the enlisted Policies are extended to Company's Value Chain Partners to the extent possible.								
4. Name of the National and International Codes/ Certifications/Labels/Standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) Standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your Entity and mapped to each Principle.	<p>The Company has adopted following globally recognized Certifications in its manufacturing facilities located in India*:</p> <ul style="list-style-type: none"> <li>• ISO<sup>®</sup> 9001 : 2015 – Quality Management System.</li> <li>• ISO 14001 : 2015 – Environmental Management System.</li> <li>• ISO 45001 : 2018 – Occupational Health and Safety Management System.</li> </ul> <p>The Company has engaged external certification body for obtaining above-mentioned certifications. Further, the Company is adhering to the Indian Standard (IS) 26001:2020 (Corporate Social Responsibility) to the extent possible.</p> <p><i>*The Company is in process of having its Visakhapatnam manufacturing facility also certified for these standards.</i></p> <p><i>#ISO – International Organisation for Standardization.</i></p>								
5. Specific Commitments, Goals and Targets set by the Entity with Defined Timelines, if any.	<p>The Company is pursuing below mentioned Sustainability Commitments.</p> <p><b>Environmental :</b></p> <ul style="list-style-type: none"> <li>• <b>Pollution Control and Abatement :</b> Identification of pollution risks arising from Company activities and to provide adequate measure for abatement of the same in an efficient and effective way.</li> <li>• <b>Circularity :</b> Reduction and Recycling of Wastes.</li> <li>• <b>Resource Conservation :</b> Use of Natural Resources sustainably.</li> </ul> <p><b>Social :</b></p> <ul style="list-style-type: none"> <li>• <b>Safe Place to Work :</b> Striving for "Zero Harm Vision" to Life, Environment and Property.</li> <li>• <b>Continuous Improvement :</b> Improve Product Quality and Working Conditions.</li> </ul> <p><b>Governance :</b></p> <ul style="list-style-type: none"> <li>• <b>Legal Compliance :</b> Taken a pledge to operate in compliance to the regulatory requirement as mandated by regional and federal Regulatory Authorities.</li> <li>• <b>Governance Structure :</b> To implement a good governance practice across the business to ensure ethical and transparent business operations across geographies.</li> </ul> <p>The Company has integrated all these ESG commitments as Core Values for its day-to-day Operations.</p>								

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the Entity against Specific Commitments, Goals and Targets along with Reasons in case the same are not met.	Collective efforts are being made by the Company and its stakeholders to adopt all the ESG commitments with desired efficacy. Specific ESG targets are under development and will be disclosed going forward.								

### Governance, Leadership, and Oversight

#### 7. Statement by Director Responsible for the Business Responsibility Report, Highlighting ESG Related Challenges, Target, and Achievements.

It gives me immense pleasure to share our first Business Responsibility and Sustainability Report (BRSR) (previously known as the Business Responsibility Report) for FY 2022-23. The Report has been prepared in format prescribed by the Securities and Exchanges Board of India (SEBI).

Our Company predominantly is engaged in manufacture of specialized Refractories and strive to provide total Refractory Solution to producers of Iron and Steel. The Company is Customer centric and/or in this regard, following sustainable ways of Manufacturing and providing Services to its Customers across geographies. The Company firmly believe that sustainability is all about the right balance between ability and responsibility to gain relevance and stability. Sustainability for the Company is about making choices following Long-Term perspective of business, society, and environment. In this regard, the Company have taken various initiatives for water conservation, energy management, phased reduction and recycling of wastes, GHG emission reductions.

As far as society is concerned, the Company's CSR initiatives are aimed at overall improvement of underprivileged and deprived section of Communities neighbouring its manufacturing facilities with focus on necessities like health, education, hygiene, sports, skills etc. Governance is core of the Company and Ethical Practices is something followed everyday by the Company.

We are dedicated in protecting our nature and environment and as part of our forward - looking approach, we are keen to address issues such as Environmental Sustainability, GHG and Climate Change Management. We will be focused on community engagement through our CSR initiatives and planning to align the same with United Nation's Sustainable Development Goal (UN - SDG).

8. Details of the Highest Authority Responsible for Implementation and Oversight of the Business Responsibility Policy/Policies	James L McIntosh Managing Director DIN - 009287829								
9. Does the entity have a Specified Committee of the Board/ Director Responsible for Decision Making on Sustainability Related Issues? (Yes/No). If yes, provide details.	Yes, Rajesh Agarwal Director – General Counsel DIN - 009786410								

#### 10. Details of Review of NGRBCs by the Company :

Subject for Review	Indicate whether Review was Undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above Policies and follow up action	The performance of the Company is periodically reviewed by the Internal Committees and Board. Company performance and any deviations in operation are also communicated to the Board and Top Management on priority for resolution.									Ongoing (Periodically and/or Need basis)								
Compliance with Statutory Requirements of Relevance to the Principles, and Rectification of any Non-Compliances	The Company has dedicated resource for Regulatory Compliances and robust procedure for identification of any non-compliances and rectification of the same. The top management and Board are communicated compliance status on regular basis.									Ongoing Basis								



## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

11. Has the Entity Carried out Independent Assessment/Evaluation of the working of its Policies by an External Agency? (Yes/No). If yes, provide the name of the Agency.	<b>P1</b>	<b>P2</b>	<b>P3</b>	<b>P4</b>	<b>P5</b>	<b>P6</b>	<b>P7</b>	<b>P8</b>	<b>P9</b>
	Assessment /Evaluation of Policies on Health, Safety, Environment, and Governance is largely done internally. The Company has taken support from an External Organisation for developing its ESG Policies and Procedures. The Company is certified under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. These Certifications also include assessment of the Policies of the Company by Independent External Assessor.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated :

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The Entity does not consider the Principles Material to its Business (Yes/No)	Not Applicable								
The Entity is not at a stage where it is in a position to formulate and implement the Policies on Specified Principles (Yes/No)									
The Entity does not have the Financial or/Human and Technical Resources available for the task (Yes/No)									
It is planned to be done in the next Financial Year (Yes/No)									
Any other reason (please specify)									

### SECTION C : PRINCIPLE WISE PERFORMANCE DISCLOSURE

#### Principle 1

Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

#### Essential Indicators

1. Percentage coverage by Training and Awareness Programmes on any of the Principles during the Financial Year :

Segment	Total number of Training and Awareness Programmes held	Topics/Principles covered under the Training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	All members of the Board and KMPs underwent mandatory training and specialized training programmes befitting their roles and responsibilities in the Company. These training are ongoing in nature and conducted throughout the year.		
Key Managerial Personnel (KMP)			
Employees and Workers other than BoD and KMP's	Training were ongoing in nature and conducted throughout the year.	Some of the topics covered are <ul style="list-style-type: none"> <li>• Communication and Interpersonal Skills</li> <li>• Environment, Health and Safety</li> <li>• First Aid</li> <li>• Fire Safety Awareness</li> <li>• Emergency Response</li> <li>• HIV, AIDS and TB</li> <li>• Employee induction Training</li> <li>• PoSH Training</li> <li>• Human Resource related Training Programs (awareness on the benefits provided by the Company, Wages etc)</li> <li>• On-job Trainings</li> </ul> These brought about overall improvement in conduct and behavior of Employees and Workers	100% by Rotation

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### 2. Details of Fines/Penalties/Punishment/Award/Compounding Fees/Settlement Amount Paid in Proceedings (by the Entity or by Directors/KMPs) with Regulators/Law Enforcement Agencies/Judicial Institutions, in the Financial Year :

Monetary					
Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	1	Securities Exchange Board of India (SEBI)	5,00,000	Violation of provisions of SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18.10.2019 along with Clause 6C(i) of said Circular and Regulation 4(1)(e) of the SEBI LODR, 2015	Yes
Fine	1	BSE Limited National Stock Exchange of India Ltd	2, 25,000 2,25,000	Violation of Regulation 17 of SEBI LODR, 2015	No
Settlement	-	-	-	-	-
Compounding fee	-	-	-	-	-
Non-Monetary					
Imprisonment	-	-	-	-	-
Punishment	-	-	-	-	-

### 3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-Monetary Action has been appealed :

Case Details	Name of the Regulatory/Enforcement Agencies/Judicial Institutions
The Company filed an Appeal before Securities Appellate Tribunal (SAT) which was pleased to pass an Order on 6th January 2023 thereby quashed Order of SEBI. SEBI has filed an Appeal against said Order of SAT before Honorable Supreme Court of India	Securities Appellate Tribunal (SAT)

### 4. Does the entity have an Anti-Corruption or Anti-Bribery Policy? If yes, provide details in brief and if available, provide a web-link to the policy?

Yes, the Company believes in conducting its business in ethical manner including following anti-corruption and anti-birbery practices. This is supported and reflected by Company's Code on Ethics as well as Whistle Blower Policy, which are hosted on Company's Website : [www.ifglgroup.com](http://www.ifglgroup.com). The Company is in the process of formulating Anti-Bribery and Anti-Corruption Policy for its overall business activities.

### 5. Number of Directors/KMPs/Employees/Workers against whom Disciplinary Action was taken by any Law Enforcement Agency for the charges of Bribery/Corruption.

Category	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees and Workers	Nil	Nil

### 6. Details of complaints with regard to conflict of interest :

Nil

### 7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### Leadership Indicators

- 1. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same?**

Yes, the Company has a Code of Conduct for Board including Independent Directors and Senior Management Personnel to avoid and/or manage conflict of interest. Pursuant thereto, the Company receive Annual Declarations from concerned persons as regards their interest which may lead to conflict of interest with that of the Company.

### Principle 2

**Businesses should provide goods and services in a manner that is sustainable and safe.**

### Essential Indicators

- 1. Percentage of R & D and Capital Expenditure (CAPEX) Investments in specific Technologies to improve the Environmental and Social Impacts of product and processes to total R & D and CAPEX Investments made by the Entity, respectively.**

During FY 2022-23, the Company did not Capture Expenditure relating to R & D activities separately. Each of the Manufacturing Facilities of the Company have in-house R & D facility primarily meant to ensure Quality and Performance of Products manufactured including Inputs used therein. The Company is however, in the process of setting up a state-of-art R & D centre at its Kalunga, near Rourkela (Odisha) Facility, which on becoming functional will support development of New Products, Improvement of Product Quality and performance, substitution of conventional Raw Materials, optimization of Resources, Re-cycling of Process and Product Wastes and other objectives firmed up from time to time.

- 2. Does the entity have procedures in place for Sustainable Sourcing? (Yes/No) If yes, what percentage of inputs were sourced Sustainably?**

Yes, the Company continuously strives for Sustainable Sourcing. In this regard, a Policy on sustainable supply chain and responsible Sourcing has been developed. SOP for ESG Supply Chain Management is in the process of being formulated. Percentage of Raw Materials procured sustainably will be provided from FY 2023-24.

- 3. Describe the processes in place to safely reclaim your products for Reusing, Recycling, and Disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous Waste and (d) Other Waste :**

Customers of the Company are primarily producers of Iron and Steel. They are based in India and abroad. Refractory products supplied by the Company are consumables in nature to them. Such products are largely devoid of Plastics and other Hazardous Materials. The Company, wherever commercially feasible, is reclaiming used Products and Recycling Components thereof without compromising the quality of final products manufactured.

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the Entity's activities ? (Yes/No). If yes, whether the Waste Collection Plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

The Company uses insignificant quantity of plastics for packing of its products. Being categorised as 'Brand Owner' for the purposes of Plastic Waste Management Rules, 2016, the Company is managing its Plastic Waste as per the above-mentioned regulatory requirement to the extent possible. As the Company is required to comply obligations of Extended Producer Responsibility (EPR) for Plastic Waste Management, it will make application for EPR Registration with the Central Pollution Control Board. Simultaneously, the Company is also evaluating ways and means, whereby use of Plastic can be minimized and ultimately avoided altogether.

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### Principle 3

Businesses should respect and promote the well-being of all Employees, including those in their Value Chains.

#### Essential Indicators

#### 1 a&b. Details of measures for the well-being of Employees and Workers :

Category	% of Employees covered by											
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities		
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)	
<b>Permanent Employees and Workers</b>												
Male	938	938	100	938	100	NA	NA	The Company does not provide this benefit.	All Manufacturing Facilities of the Company have arrangements to provide basic Health Care.			
Female	10	10	100	10	100	10	100					
<b>Total</b>	<b>948</b>	<b>948</b>	<b>100</b>	<b>948</b>	<b>100</b>	<b>10</b>	<b>100</b>					
<b>Other than Permanent Employees and Workers</b>												
Male	556	556	100	556	100	NA	NA					
Female	101	101	100	101	100	101	100					
<b>Total</b>	<b>657</b>	<b>657</b>	<b>100</b>	<b>657</b>	<b>100</b>	<b>101</b>	<b>100</b>					

#### 2. Details of Retirement Benefits for Current and Previous Financial Year :

The Company provides several benefits to its Employees and Workers which includes the following :

- Provident Fund, Statutory Pension, Insurance in lieu of Statutory Employees Deposit Linked Insurance, ESI.
- Gratuity, Superannuation, Leave Encashment, Personal Accident etc subject to fulfillment of eligible criteria.

Table below provide details of some of those Benefits provided

Benefits	FY 2022-23			FY 2021-22		
	No. of Employees covered as a % of total Employees	No. of Workers covered as a % of total Workers	Deducted and Deposited with the Authority (Y/N/NA)	No. of Employees covered as a % of total Employees	No. of Workers covered as a % of total Workers	Deducted and Deposited with the Authority (Y/N/NA)
Employee Provident Fund (PF)	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
Employees' State Insurance (ESI)	100	100	Y	100	100	Y
Staff Welfare Expense	100	100	Y	100	100	Y

The Company employed other than Permanent Employees and Workers only through Registered Vendors and ensured that Statutory Benefits as per applicable Laws are extended.

#### 3. Accessibility of workplaces : Are the Premises/Offices of the Entity accessible to Differently Abled Employees and Workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Entity in this regard :

Yes.

#### 4. Does the entity have an Equal Opportunity Policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a Web-link to the policy.

Yes, the Company has in place an Equal Opportunity Policy and hosted on Company's website <https://ifglgroup.com/wp-content/uploads/2023/05/IFGL-Diversity-and-Equal-Opportunity-Policy.pdf>. Policy articulates Company's commitment for Employment opportunities without any discrimination on the grounds of age, color, disability, marital status, nationality, race, religion, gender, sexual orientation etc. The Company strives to maintain a work environment free from any Harassment based on the above factors. Equal Opportunity Policy is however subject to applicable requirements, qualifications and merits of the Individuals concerned.

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### 5. Return to Work and Retention Rates of permanent Employees and Workers that took parental leave :

During FY 2022-23, no permanent employee and worker took parental leave.

### 6. Is there a mechanism available to receive and redress grievances for the following categories of Employees and Worker? If yes, give details of the mechanism in brief :

The Company is committed to provide a Safe and Conducive Work Environment to all of its Employees. Transparency and openness are values practiced across all levels. Employees are encouraged to discuss with their Reporting Managers in case of any Grievances and can reach out to Human Resource (HR) team. Every possible effort is made to resolve such Grievances at the earliest. IFGL has implemented a multistage Grievance Redressal Procedure across its organisation.

Particulars	Yes/No (If yes, give details of the mechanism in brief)
Permanent Workers	Through its Whistle Blower Mechanism, the Company provides a Grievance Redressal Mechanism and encourages its Employees and Workers to bring to attention any instances of unethical behavior, incidents, frauds, or violation of Company's Code of Conduct.
Permanent Employees	The Company has created specific E-mail ID through which, Employees can send E-mail directly to Audit Committee Chairman or Members of Audit Committee. Additionally, the Company practices an open-door approach through which the Employees and Workers can raise their Grievances with their immediate Senior(s) or the Human Resource Department.
Other than Permanent Workers	The Non-permanent Employees and Workers can communicate their Grievances through their respective Supervisors. The grievances are further communicated to the Company for necessary action and resolution.
Other than Permanent Employees	Additionally, they can also report any instances of unethical behavior, incident, or violations through the Company's Whistle Blower Mechanism. All Employees are made aware of this mechanism during their Induction and periodic Trainings imparted by Human Resource (HR) Department.

### 7. Membership of Employees and Worker in Association(s) or Unions recognized by the listed entity :

Workers of Company's Kalunga near Rourkela (Odisha) manufacturing facility only are members of recognised Union, IFGL Mazdoor Manch.

### 8. Details of Training given to Employees and Workers :

Category	FY 2022-23					FY 2021-22				
	Total(A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Male	938	948	100	948	100	904	914	100	914	100
Female	10					10				
<b>Total</b>	<b>948</b>					<b>914</b>				

The Company regularly provides job safety related trainings to Employees and Workers including during onboarding through Induction Training. Trainings are also provided on Skill upgradation. Table above include details of Training imparted to Permanent Employees and Workers only.

#### Key focus areas of the Company's Training interventions have been :

- Induction Training including various aspects of Human Resource, Company's Code of Conduct, Whistle Blower Mechanism, Employee Grievance Management, Prevention of Sexual Harassment at Work Place, Employee well-being Mechanism, general Health and Safety.
- Periodic Training Program on Occupational Health and Safety.
- Functional and Technical Skill enhancement.
- Training on transformation of Technology such as digital Technology, use of New Software etc.

**Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)****9. Details of Performance and Career Development reviews of Employees and Workers :**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Male	938	938	100	904	904	100
Female	10	10	100	10	10	100
<b>Total</b>	<b>948</b>	<b>948</b>	<b>100</b>	<b>914</b>	<b>914</b>	<b>100</b>

The Company places increased importance on continual development of Human Resource irrespective of levels and Professional Development and Career Growth of Employees at large.

**10. Health and Safety Management System :****a. Whether an Occupational Health and Safety Management System has been implemented by the Entity? (Yes/No). If yes, the coverage of such system?**

Yes, the occupational Health and Safety Management System has been implemented in all Manufacturing Facilities of the Company located in India. The Company has also developed and implemented Integrated Environment and Health – Safety (EHS) Management System. Integrated EHS Management System of below mentioned Manufacturing Facilities are certified under ISO 14001:2015 (Environmental Management System) and ISO 45001:2018 (Occupational Health and Safety Management System):

Manufacturing Unit	Availability of ISO 9001:2015 Certification	Availability of ISO 14001:2015 Certification	Availability of ISO 45001:2018 Certification	Validity	Issuing Agency
Kalunga near Rourkela (Odisha)	Yes	Yes	Yes	1st September 2023	TÜV NORD CERT GmbH
Kandla Special Economic Zone (Gujarat)	Yes	Yes	Yes	2nd December 2024	TÜV SÜD South Asia Private Limited

Company's new Manufacturing Facility situated at Visakhapatnam (Andhra Pradesh) is in the process of having above-mentioned ISO Certifications.

EHS Management System defines mandatory requirements for the Systematic Management and execution within the Company. The Company has also prepared a Standard Operating Procedure for general Health and Safety within its Manufacturing Operations conforming to applicable laws. Following Standard Operating Procedures have also been developed and implemented by the Company.

Safety Core Value	Safety Aim
Good Health and Safety is essential for Business Continuity	No accidents
Safety is the core responsibility for everyone in the Company	Zero Lost Time Injury*
Safe Working Condition is the base of Company's Work Culture	No harm to people

\*A Lost Time Injury (LTI) is an injury sustained on the job by an Employee that results in the loss of Productive Work Time (as defined in Globally Accepted Occupational Health and Safety Standards and Framework).

**b. What are the processes used to identify Work-related Hazards and assess Risks on a Routine and Non-routine basis by the Entity?**

The Company has in place a Systematic Risk Management Process to identify and control Hazards in its Operations and is applied through below mentioned five steps.





## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

- The Company has established Hazard Identification and Risk Assessment (HIRA) process, both for Routine and Non-routine activities. Further, the Company has implemented Job Hazard Analysis (JHA) Procedure before performing any Non-routine and maintenance activities and provides Risk Mitigation Controls accordingly.
- The Company also conduct periodical Internal Audits, whereunder workers may also report Unsafe conditons and/or practices.
- The Company is in process of digitalizing safety inasmuch as a Safety Mobile App will be installed in mobile of concerned persons and if they witness any unsafe conditions or unsafe working practices, an alert will be generated for persons involved to remedy the same.

The Company has identified key Occupational Health and Safety Risks based on the HIRA and developed key Standard Operating Procedures (SOPs) on Health and Safety aspects such as Chemical Safety and Spill Management, Electrical Safety, Industrial Hygiene, use of Lifting Tools and Tackles, use of Personal Protective Equipment, Work Permit System and working at Height etc.

All relevant stakeholders including Plant Heads, Site Engineers and EHS team members are involved in Risk Assessment Processes. Risk Assessment and Safe Work Method Statement is developed and approved by concerned personnel prior to initiating any work activity that may have significant Health and Safety Risks (Work Permit System). All identified risks and Risk Mitigation Plans are documented, approved and communicated to parties involved in the activity.

**c. Whether you have processes for Workers to report the Work-related Hazards and to remove themselves from such risks?**

Yes, all employees can report incidents and near-misses to the following personnel :

- Designated EHS personnel at Company's Manufacturing Facilities.
- Head of the Respective Department.
- Reporting Manager.

**d. Do the Employees/Workers of the Entity have access to Non-occupational Medical and Healthcare services?**

Yes, Employees/Workers of the Company have access to Non-occupational Medical and Healthcare services including through tie-ups with reputed Medical Insitutions. Periodically they are also trained to respond appropriately to on-site Medical emergencies.

**11. Details of Safety related incidents, in the following format :**

Safety Incident/Number	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	2.64
Total Recordable Work-related Injuries	97
No. of Fatalities	Nil
High consequence Work-related Injury or ill-health (excluding Fatalities)	Nil

**12. Describe the measures taken by the Company to ensure a Safe and Healthy workplace :**

The Company has formed Safety Committee at each of its Manufacturing Facility for managing Occupational Health Safety aspects related to its Operations and other associated activities. The Safety Committee operates in close co-ordination with Leadership Team at Corporate Level. The Company has set a 'Zero Harm' target at workplace. It has taken pledge to ensure safe workplace and developed a robust procedure to identify any Health and Safety issue and rectify the same with utmost importance in an efficient manner.

The Company identifies potential Hazard and Risks pertaining to its Operations and ensures availability of efficient Risk Control Measures. It follows a robust risk hierarchy of control mechanism to minimize the risks at acceptable limit. Periodic Internal and External Audits and inspections across Company's Manufacturing Facilities on Occupational Health and Safety aspects are conducted to identify and Rectify any Health and Safety deviations.

The Company selects right Equipment, Technology and Processes at the planning stage to minimize chances of Workplace Safety related deviations. Further, all the Hazardous materials used by the Company are managed with utmost importance to minimize any Health and Safety issues related to their Storage, Handling and Usage. The Company has also implemented Work Permit System as a formal documented systematic process designed to identify, communicate, mitigate, and control risks. It has displayed Work Instructions at conspicuous places at Workplace.

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

The Company treats its Human-capital as one of the Valuable Resources. Therefore, the Company takes care of Industrial and Workplace Hygiene related aspects with utmost importance. Further, the Company conducts risk based Medical check-up of its Employees and Workers. Regular trainings on Occupational Health and Safety Management is also imparted by the Company to its on-roll Employees and Workers.

### 13. Number of Complaints on the following made by Employees and Workers :

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

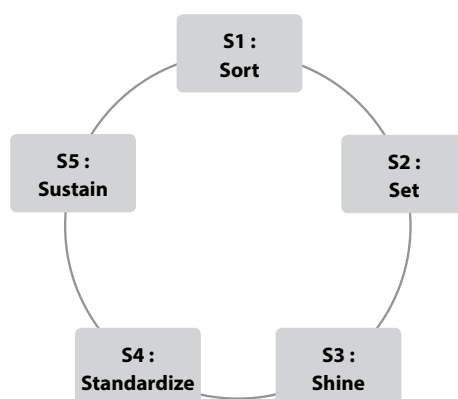
### 14. Assessments for the year :

Particulars	% of your Plants and Offices that were assessed (by Entity or Statutory Authorities or Third Parties)
Health and Safety Practices	100 (including Internal Assessment)
Working Conditions	100 (including Internal Assessment)

### 15. Provide details of any corrective action taken or underway to address Safety-related Incidents (if any) and on significant Risks/Concerns arising from assessments of Health & Safety practices and Working Conditions :

No major safety related incidents took place in FY 2021-22 and FY 2022-23. EHS risk management culture has been inculcated across the Company. The Company has implemented a procedure to log every Incidents, near misses and First Aid cases. These are investigated by the Company, and Risk Mitigation is done through the Incident classification, Reporting and Investigation. The Company has implemented time bound action plan to rectify Health and Safety deviations. The Company has enrolled Subject Matter Experts (SMEs) for Occupational Health and Safety Management.

The Company is in the process of implementing 5S Methodology in its Manufacturing Facilities for Hazard free and Seamless Operations.



These initiatives will also help the Company to enhance its competency with respect to Health and Safety in Workforce with higher degree of awareness and suitable Training.

### Leadership Indicators

#### 1. Does the entity extend any Life Insurance or any compensatory package in the event of Death of (a) Employees (Y/N) (b) Workers (Y/N).

Yes, the Company has ensured that its Workers and Employees are adequately covered under different Insurance Policies.

For further details, please refer to Section 'Details of measures for the well being of Employees and Workers of this Report (Under Principle 3)

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### 2. Provide the measures undertaken by the Entity to ensure that Statutory Dues have been deducted and deposited by the Value Chain Partners :

Yes, Company has put in place Systems and Procedures to ensures that Statutory Dues applicable are deducted and deposited as per applicable Laws by its Value Chain Partners. Moreover Value Chain Partners are responsible for adherence or compliance of Laws applicable to them and consequently for deduction and deposit of dues thereunder.

#### Principle 4

**Businesses should respect the interests of and be responsive to all its Stakeholders.**

#### Essential Indicators

### 1. Describe the processes for identifying Key Stakeholder Groups of the Entity :

Key Stakeholders are identified on the basis of the material influence they have on the Company or on how they are materially influenced by the Company's Corporate decisions and consequences of those decisions. The Company has categorized the Key Stakeholders based on the following attributes :

- Dependency - Stakeholders who are directly dependent on Company's activities, products, services or on whom the Company is dependent to operate.
- Responsibility - Stakeholders towards whom the Company has legal, commercial, operational or moral/ethical responsibilities.

As the stakeholders play pivotal role in business continuity of the Company, it gives due importance and engage with them periodically. Such engagement provide requisite understanding to the Company of perception and expectations of the Stakeholders and this enables, the Company to formulate and evaluate its business strategies accordingly.

### 2. List Stakeholder groups identified as Key for your Entity and the frequency of engagement with each Stakeholder Group :

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication	Frequency of engagement	Purpose and Scope of Engagement including key topics and concerns raised during such engagement
Investors/ Shareholders	No	<ul style="list-style-type: none"> <li>• Annual/Quarterly Financial Reports and Earnings Calls</li> <li>• Investor Conferences</li> <li>• Quarterly/Specific Event based</li> <li>• Press Releases</li> <li>• Investor Presentations</li> </ul>	Quarterly/ Need-Based	<ul style="list-style-type: none"> <li>• Clear and effective communication on business environment and business-related Issues</li> <li>• Corporate Governance</li> <li>• Regulatory Compliances</li> <li>• Company Business Plan, Sustainability</li> <li>• Addressing their queries</li> </ul>
Regulators	No	<ul style="list-style-type: none"> <li>• Mandatory regulatory filings</li> <li>• Periodical submission of Business Performance</li> <li>• Written Communications</li> <li>• In-person Meetings</li> </ul>	Need-Based	<ul style="list-style-type: none"> <li>• Compliance with Rules and Regulations</li> <li>• Submission of transparent disclosures i.e. different Forms and Formats as per the applicable Statute</li> <li>• Corporate Governance and Corporate Social Responsibilities (CSR)</li> <li>• Revenue and Tax</li> </ul>
Suppliers/ Vendors/ Third-party Manufacturers	No	<ul style="list-style-type: none"> <li>• Vendor Meets</li> <li>• E-mail or Telephone</li> <li>• Training and Engagement Events</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>• Fair and Ethical procurement &amp; Engagement Practices</li> <li>• Pricing and Favorable Terms of Payment</li> <li>• Timely clearance of Invoices</li> <li>• Quality and Quantity of Raw Materials</li> <li>• Knowledge and Infrastructural Upgradation</li> <li>• Environmental and Labour Compliances</li> </ul>

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of Communication	Frequency of engagement	Purpose and Scope of Engagement including key topics and concerns raised during such engagement
Communities	No	<ul style="list-style-type: none"> <li>In-person Meetings</li> <li>Engagement through NGOs</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Community Development Programmes such as Schools through CSR Initiatives</li> <li>Skill Development and Livelihood Support Program</li> <li>Celebration of events that are important in Local and Indian context</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>In-person Meetings</li> <li>E-mails</li> <li>Collation and Analysis of Customer feedback</li> <li>Engagement through Website</li> <li>Social Media</li> <li>Brand Campaigns</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Clear communication on the Product Quality, Price, Usage, Returning etc</li> <li>Regular Communication on the ordering and Invoice</li> <li>Customer Awareness Program</li> <li>Client site Operation Management Support</li> <li>Consistent Quality at Competitive Prices</li> <li>New and Innovative Products, as per latest Market requirements</li> <li>Easy access to Products and Services</li> <li>Protection of the Sensitive Information</li> </ul>
Employees	No	<ul style="list-style-type: none"> <li>Group Interaction Meetings</li> <li>Employee Engagement Surveys</li> <li>Training and Development Workshops</li> <li>Performance Appraisals</li> <li>Written Communications</li> </ul>	Ongoing	<ul style="list-style-type: none"> <li>Training and Development</li> <li>Diverse, open, non-discriminatory and Safe Working Environment</li> <li>Career Progression</li> <li>Competitive Rewards and Remuneration</li> <li>Health and Safety</li> <li>Performance Evaluation and Recognition</li> </ul>

### Leadership Indicators

**1. Provide the processes for consultation between Stakeholders and the Board on Economic, Environmental and Social topics or if consultation is delegated, how feedback from such consultations is provided to the Board :**

The Company has set up Committees for addressing issues relating to Economic, Environment, Social, Governance etc. Constant and proactive engagement with both Internal and External Stakeholders are conducted by such Committees to :

- Align the Business Plan and Strategy with Stakeholder's expectations.
- Review Company's Performance on dealing with Grievances/Issues raised by the Stakeholders.

Wherever thought to be necessary, said Committees forward the Issues noticed for further deliberation and decision thereon by the Board and/or persons concerned.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics? (Yes/No). If so, provide details of instances as to how the input received from stakeholders on these topics were incorporated into the Policies and Activities of the entity :**

Yes, the Company conducted Environmental, Social and Governance (ESG) Materiality Assessment through an external Agency and during such exercise engaged with key Stakeholders to capture their views on Company's ESG performance. The Company has implemented certain programs on ESG aspects and taken ambitious Goals and Targets on ESG Material Issues. The Company has also started certain initiatives to achieve these Targets, which have been communicated to Internal and External Stakeholders

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

through effective Communication Channels.

### 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

There are no vulnerable or marginalized Stakeholders pertaining to Company's Business. The Company has taken several CSR Initiatives through IFGL Refractories Welfare Trust.

#### Principle 5

Businesses should respect and promote human rights.

#### Essential Indicators

### 1. Employees and Workers who have been provided Training on Human Rights Issues and Policy(ies) of the Entity, in the following format :

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of Employees/Workers covered (B)	% (B/A)	Total (C)	No. of Employees/Workers covered (D)	% (D/C)
<b>Employees and Workers</b>						
Permanent	1605	All	100	1615	All	100
Other than Permanent		All	100		All	100
<b>Total (including Workers)</b>		<b>All</b>	<b>100</b>		<b>All</b>	<b>100</b>

The Company regularly imparts Trainings on Human Rights Related issues and Policies whereunder all Permanent Employees, Workers and Contractual staffs are included.

### 2. Details of Minimum Wages paid to Employees and Workers, in the following format :

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent	948	Employees were paid more than minimum wages		948	100	914	Employees were paid more than minimum wages		914	100
Other than Permanent	657			657	100	701			701	100
<b>Total Employees</b>	<b>1605</b>			<b>1605</b>	<b>100</b>	<b>1615</b>			<b>1615</b>	<b>100</b>

The Company provides Remuneration to all its Employees and Workers at a rate higher than payable as per applicable laws. To be transparent, the Company provides monthly wage/pay slips to its employees wherein complete particulars are given including deductions made.

### 3. Details of Remuneration/Salary/ Wages, in the following format :

(₹ in lakhs)

Category	Male		Female	
	Number	Median Remuneration/Salary/ Wages of respective category	Number	Median Remuneration/Salary/ Wages of respective category
Board of Directors (BoD)	8	182.41*	1	Foregone her entitlement of Sitting Fees
Key Managerial Personnel **	5	157.97	1	28.39
Employees and Workers other than BoD and KMP	933	2.63	9	4.27

\* Excludes Sitting Fees paid to Independent Directors

\*\*Including 4 (four) KMPs forming part of Board

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

The Company does not have a single focal point for addressing Human Rights related issues. However, the HR team is responsible for addressing the same. In this regard Employees and Workers are encouraged to communicate such issues to HR team at Corporate Office and/or Manufacturing Facilities. During FY 2022-23 no issue or any violation pertaining was raised.

**5. Describe the Internal Mechanisms in place to redress Grievances related to Human Rights issues.**

The Company has adopted a Human Rights Policy. All grievances relating to Human Rights issue are dealt with, as and when received, by the HR team in co-ordination with others concerned. Grievances received are duly investigated and appropriate actions taken to resolve them. Wherever necessary, disciplinary actions as are deemed fit and appropriate are also taken. If necessary, matters are referred to jurisdictional Regulatory Authorities and assistance sought therefrom.

**6. Number of Complaints on the following made by Employees and Workers :**

Category	FY 2022-23			FY 2021-22		
	Filed during the Year	Pending Resolution at the end of Year	Remarks	Filed during the Year	Pending Resolution at the end of Year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at Workplace	Nil	Nil		Nil	Nil	
Child Labour	Nil	Nil		Nil	Nil	
Forced Labour/Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other Human Rights related issues	Nil	Nil		Nil	Nil	

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases :**

The Company has Vigil Mechanism i.e. Diversity and Inclusion and Whistle Blower Policy, whereunder complaints for discrimination and harassment or any other wrong doing can be lodged without fear for adverse consequences. Company's Code of Conduct also requires Employees at large to behave responsibly. Besides this, the Company has also put in place Policy on Prevention of Sexual Harassment of Women at Workplace.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Company is adhering to the UNGC (United Nation Global Compact) Principles, which include Human Rights clauses. These clauses form part of the contract with supplier and are extended across the supply chain in the form of the Supplier/Vendor Code of Conduct.

**9. Assessments for the year :**

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% of Company's Manufacturing Facilities are assessed internally and through Statutory bodies (such as Labour Department, Directorate of Industrial Safety and Health etc.) from time to time on these aspects.
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at Workplace	
Wages	
Others—please specify	

**10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above :**

Not applicable

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### Leadership Indicators

**1. Details of a business process being modified/introduced as a result of addressing Human Rights Grievances/Complaints.**

The Company has not received any grievances/complaints for Human Rights violation. The Company has however been in the process of developing its Human Rights Policy and Sustainable Supply Chain Policy to enhance focus on Human Rights aspects in its business.

**2. Details of the Scope and Coverage of any Human Rights Due Diligence conducted :**

EHS and HR department of the Company regularly conduct audit and inspection through internal audit protocols on Human Rights related issues.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes.

### Principle 6

**Businesses should respect and make efforts to protect and restore the environment.**

### Essential Indicators

**1. Details of total energy consumption in Giga Joules (GJ) and energy intensity :**

The Company uses Electricity supplied by State Industrial Grids in its Manufacturing Facilities in India. Diesel driven generator sets are also used as emergency backups and Liquefied Petroleum Gas (LPG) in production activities at the Manufacturing Facilities. Summary of Electricity Consumed in Company's Manufacturing Facilities, is given in Table below :

Parameter	FY 2022-23*	FY 2021-22*
Total Electricity Consumption (A)	45,897	43,923
Total Fuel Consumption (B) - LPG	1,33,054	1,53,157
Energy Consumption through other sources (C) - Diesel	6,965	6,384
Total Energy Consumption (A+B+C) (GJ)	1,85,916	2,03,464
Energy intensity per rupee of Turnover (Total Energy Consumption in GJ/ Turnover (in Rupees in crores))	223.09	258.42

No independent assessment/evaluation/assurance has been carried out by an external agency.

\* Aforesaid details are for all three manufacturing facilities of the Company.

**2. Does the entity have any sites/facilities identified as Designated Consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable

**3. Provide details of the following disclosures related to Water**

**Water withdrawal by source in kilolitres :**

Parameter	FY 2022-23*	FY 2021-22*
(i) Surface Water	-	-
(ii) Groundwater	43,008	43,871
(iii) Third party Water (Municipal Water Supplies)	35,018	28,960
(iv) Seawater/Desalinated Water	Nil	Nil
(v) Others	Nil	Nil
<b>Total Volume of Water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>78,026</b>	<b>72,831</b>
<b>Total Volume of Water Consumption (in kilolitres)</b>	<b>78,026</b>	<b>72,831</b>
<b>Water intensity per Cr. rupee of Turnover (Water Consumed/Turnover)</b>	<b>93.63</b>	<b>92.50</b>

No independent assessment/evaluation/assurance has been carried out by an external agency.

\* Aforesaid details are for all three Manufacturing Facilities of the Company.



## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes, the industrial operations of the Company are not water intensive. The Company does not discharge any form of effluent including untreated water outside its manufacturing facilities.

**5. Please provide details of Air Emissions (other than GHG Emissions) by the Entity, in the following format:**

Parameter	Unit	Ambient air quality*	
NOx (in ambient air)	µg/m <sup>3</sup>	4.23 – 40.8	3.72 - 28
SOx (in ambient air)	µg/m <sup>3</sup>	5.11 – 43.2	4.69 - 5.6
Particulate Matter (PM 10)	µg/m <sup>3</sup>	29.78 - 82	28.95 - 81.4
PM 2.5	µg/m <sup>3</sup>	27.11-51.6	25.78 - 27
Persistent Organic Pollutants (POP)	NA	NA	NA
Volatile Organic Compounds (VOC)	NA	NA	NA
Hazardous Air Pollutants (HAP)	NA	NA	NA

\* Details in Table above denotes average results of three Manufacturing Facilities of the Company. The Company has engaged external National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited monitoring agencies to monitor emissions and suggest measures that they are always within permissible norms.

**6. Provide details of Greenhouse Gas Emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format :**

Company Parameter	Unit	FY 2022-23	FY 2021-22
Scope 1 (Diesel, LPG)	Tons	8,911	10,137
Scope 2 (Electricity)	Tons	10,327	9,883
Total Scope 1 and Scope 2 emissions per rupee of Turnover (Tons/Cr.)		23.08	25.43

No independent assessment/evaluation/assurance of Greenhouse Emissions has been carried out by any External Agency.

The Company has developed a Standard Operating Procedure (SOP) for capturing its Scope 1 and Scope 2 GHG emissions from its operations. This SOP has been developed in line with globally accepted frameworks and standards such as US EPA guideline, applicable guidelines of GHG Protocol.

**7. Does the entity have any project related to reducing Greenhouse Gas emission? If Yes, then provide details.**

Yes, the Company has undertaken several initiatives, latest being use of Natural Gas in its operations instead of LPG to minimise its GHG footprint. The Company is expected to reduce about 13% of its present GHG footprint through aforesaid fuel switch.

**8. Provide details related to waste management by the entity, in the following format :**

Parameter	FY 2022-23*	FY 2021-22*
<b>Total Waste Generated (in Metric Tonnes)</b>		
Plastic Waste (A)	554.27	333.63
E-waste (B)	5.78	5.47
Bio-medical Waste (C)	Nil	Nil
Construction and Demolition Waste (D)	Nil	Nil
Battery Waste (E)	Nil – Buy Back Policy	Nil – Buy Back Policy
Radioactive Waste (F)	Nil	Nil
Other Hazardous Waste - Used Oil (G)	23.24	17.97
Other Non-hazardous Waste generated - Municipal solid waste such as wood waste, waste rags, rubber waste, kitchen waste (H)	209.22	412
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>792.51</b>	<b>769.07</b>

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in Metric Tonnes)

Category	FY 2022-23	FY 2021-22
(i) Recycled	432.75	249
(ii) Re-used	127.71	295.20
(iii) Other Recovery Operations	117.81	172
<b>Total</b>	<b>678.27</b>	<b>716.20</b>

For each category of waste generated, total waste disposed by nature of disposal method (in Metric Tonnes)

Category of waste	FY 2022-23	FY 2021-22
(i) Incineration	12.64	17.8
(ii) Landfilling	14.23	-
(iii) Other Disposal Operations	1.4	4.15
<b>Total</b>	<b>28.27</b>	<b>21.95</b>

No independent assessment/evaluation/assurance has been carried out of the aforesaid by any External Agency.

9. **Briefly describe the Waste Management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of Hazardous and Toxic Chemicals in your products and processes and the practices adopted to manage such wastes :**

Yes, the Company has integrated three (3) principles of waste management i.e. Reduce, Reuse and Recycle (3R) into its business. It has implemented a robust waste management program across its operations. Followings are the key aspects of the waste management program implemented by the Company :

- To comply with the waste related statutory requirements as applicable. Further, the Company submits waste related returns to the regulatory authorities as per the statutory requirement.
- Disposal of the Hazardous and other categories of wastes such as e-wastes, used batteries through authorised recyclers and disposal agencies only.
- To the extent possible, recycle product process wastes.
- Wherever feasible, the Company gets back product waste from Customers and recycle components thereof to the extent possible.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format :**

No, as on the date of this Report the Company does not have any facility(ies) in/around ecologically sensitive areas.

11. **Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year :**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Weblink
Nil					

12. **Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format :**

Yes.

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### Leadership Indicators

**1. Provide the following details related to water discharged :**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(i) To Surface water	NA	NA
No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater	NA	NA
No treatment		
With treatment – please specify level of treatment		
(iii) To Seawater	NA	NA
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third parties	NA	NA
No treatment		
With treatment – please specify level of treatment	-	-
(v) Others : Treatment of effluent in onsite Effluent Treatment Plant (ETP) in the manufacturing units		
No treatment	-	-
With treatment – Effluent Water Treatment has been done at ETP by Adding Chemicals and reused in the Manufacturing Process*	12,637.5	12,992
<b>Total water discharged (in kilolitres) and Re-used in manufacturing process</b>	<b>12,637.5</b>	<b>12,992</b>

\* Kalunga and Kandla Manufacturing Facilities of the Company have Captive Effluent Treatment Plant where used water is treated. Such treated water is reused to the extent necessary and remaining water discharged. Figures given above relates to these two manufacturing facilities of the Company, no independent assessment, evaluation or assurance whereof has been done by any external agency.

**2. Water Withdrawal, Consumption and Discharge in areas of Water Stress (in kilolitres) :**

None of the Manufacturing Facilities of the Company is situated in water stress area.

**3. Please provide details of total Scope 3 emissions & its intensity, in the following format :**

The Company is in the process of developing an SOP for monitoring of Scope 3 GHG emission. This SOP will be inline with internationally recognised standards and frameworks for GHG quantification.

**4. With respect to the Ecologically Sensitive Areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

None of the Manufacturing Facilities of the Company is situated in Ecologically Sensitive Area.

**5. If the entity has undertaken any specific initiatives or used Innovative Technology or solutions to improve Resource Efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format :**

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installed LED Lights	LED lights installed in Company's manufacturing facilities In FY 2022-23 : 410 In FY 2021-22 : 274	Less Electricity Consumption
2	DE System in CNC and Mix Plants	NA	Sustainable use of Raw Materials

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
3.	Solar Panels	Solar Panels have been installed at Company's Manufacturing Facility at Visakhapatnam	Use of Renewable Energy
4.	Power Capacitors	Power Capacitors Installed	Improved Power Factor

**6. Does the entity have a Business Continuity and Disaster Management Plan? Give details in 100 words/Web-link.**

The Company has developed Business Continuity Plan (BCP) and on-site Emergency Management Plan. The BCP of the Company has identified potential business disruption issues and recovery plan. The key issues that have been identified in the BCP are supply of raw materials, use of natural resource, operational continuity etc. The onsite Emergency Management Plan has identified potential emergency scenarios and disruptions that could affect business operation in short-term and long-term basis. This plan has also included guidelines on emergency response and post emergency measures.

**Principle 7**

**Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.**

**Essential Indicators**

**1. a. Number of affiliations with trade and industry chambers/associations.**

The Company is affiliated with Six (6) Trade and Industry Chambers.

**b. List the top 10 Trade and Industry Chambers/Associations (determined based on the total members of such a body) the entity is a member of/affiliated to :**

Sl. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (International/State/National)
1	World Refractory Association	International
2	Indian Refractory Makers Association	National
3	Chemical & Allied Export Promotion Council (CAPEXIL)	National
4	Export Promotion Council for EOUs and SEZs (EPCES)	National
5	Indian Chamber of Commerce, Kolkata	State
6	Rourkela Chamber of Commerce	State
7	Kasez Industries Association	State

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

None

**Principle 8**

**Businesses should promote Inclusive Growth and Equitable Development.**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the Current Financial Year :**

Not Applicable

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format :**

Not Applicable

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### 3. Describe the mechanisms to receive and redress grievances of the community.

The Company acknowledges its responsibility towards the society and supports inclusive growth and equitable development of all its stakeholders. The Company strongly believes in growing together responsibly leading to success of its business. The Company aim at balancing the needs and addresses the concerns of its stakeholders and endeavours to take into the consideration the impact on the environment, society and the community. The Company is committed to giving back to the society within which it operates and as part of this Principle, the Company has chosen several initiatives under CSR activities.

### 4. Percentage of input material (Inputs to Total Inputs by Value) sourced from Suppliers:

Parameter	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/Small Producers	The Company being manufacturer and trader of specialised Refractories primarily for producers of Iron and Steel has been sourcing most of its major Input Raw Materials from Peoples Republic of China. The Company has also been procuring few inputs from Indigenous Vendors. The Company is working on reducing its dependency on Imported Inputs and is striving to reduce the same by 50% during next five years.	
Sourced directly from within the District and Neighbouring Districts		

### Leadership Indicators

#### 1. Details of beneficiaries of CSR Projects:

CSR initiatives mentioned below and pursued by the Company are meant to benefit vulnerable and marginalized groups of communities neighboring manufacturing facilities of the Company. However, percentage of beneficiaries therefrom is not ascertainable.

Sl. No.	CSR Project	No. of person benefitted from CSR Projects	Percentage of beneficiaries from vulnerable and marginalized groups
1.	Education support	-	-
2	Health Support	-	-
3	Sanitation and hygiene support	-	-
4	Sports support	-	-
5	Skill development support	-	-

### Principle 9

**Businesses should engage with and provide Value to their Consumers in a responsible manner.**

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback :

Yes, the Company manufactures Industrial Products and provide related Services. Customers of the Company are producers of Iron and Steel in India and abroad. Accordingly, to this extent nature of complaints received from Customers is distinguishable. The Company is Consumer centric and values their issues and concerns if any and therefore have implemented a procedure to receive and respond to Consumer Complaints and feedback. It has a Policy on Customer Care which provides for customer's grievance redressal mechanism. Each of the customer's complaint is looked into in detail and prompt response and timely resolution provided for. The Company has provided contact details and E-mail ID's on its website whereat communication may be sent by Stakeholders including Customers of the Company.

#### 2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about :

Particulars	As a percentage of total turnover
Environment and Social parameters relevant to the products	100
Safe and Responsible usage	100
Recycling and/or Safe Disposal	100

## Annexure 'A' to Directors' Report - Business Responsibility and Sustainability Report (Contd.)

### 3. Number of consumer complaints in respect of the following :

Particulars	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-				
Cyber - Security	-	-				
Delivery of Essential Services	-	-				
Restrictive Trade Practices	-	-				
Unfair Trade Practices	-	-				
Other	-	-				

### 4. Details of instances of product recalls on account of safety issues :

Nil

### 5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has detailed framework on cyber security and risk related to data privacy and the same is available on website of the Company at <https://ifglgroup.com/wp-content/uploads/2023/05/Data-Privacy-Policy.pdf>. This framework is aligned with ISO 27001:2022 (Information Security Management System).

### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not applicable.

### Leadership Indicators

#### 1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details on products and services of the Company are available at its website [www.ifglgroup.com](http://www.ifglgroup.com).

#### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

To educate the consumers about the safe usage of the products, the Company has created documents namely Product Information Sheet (PIS). Product application videos have also been created for quick references and links of videos are shared with the customers on need basis. One to one briefing meeting are also held with Customers as and when necessary.

#### 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services :

In order to inform Customers of disruption/discontinuation of essential services, the Company sends E-mail communications and/or host Announcements on its website [www.ifglgroup.com](http://www.ifglgroup.com)

#### 4. Provide the following information relating to data breaches :

1. Number of instances of data breaches along with impact – Nil
2. Percentage of data breaches involving personal identifiable information of Customers – Nil

## Annexure 'B' to Directors' Report – Report on Corporate Governance

1. The Company's philosophy on Corporate Governance continues to apply best management practices, compliance of law in true letter and spirit, adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

The Report for FY 2022-23 on Compliance of conditions of the Corporate Governance in accordance with Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR, 2015) amended to date read with relevant provision of the Companies Act, 2013 (the Act) & Rules framed thereunder, is given below.

2. **Board of Directors (Board)** of the Company comprise of the following as on 31st March 2023 :

Category	No. of Directors	%
Executive Directors	4	44.44
Non-Executive Independent Directors	4	44.45
Non-Executive Independent Woman Director	1	11.11
<b>Total</b>	<b>9</b>	<b>100.00</b>

Composition, Category, Directorship and Committee Membership in other Companies of the Board of the Company as on 31st March 2023, have been as follows :

Director's Name	Director's Category	Members of the Board of Public Limited Companies incorporated in India (including IFGL Refractories Limited)		Total Number of Committee * Membership held in Public Limited Companies [including IFGL Refractories Limited but excluding Private Limited Companies, Foreign Companies and Companies of Section 8 of the Companies Act, 2013 (the Act)]	
		Listed	Unlisted	As Chairman	As Member
R Agarwal **	Executive	1	–	–	–
S K Bajoria	Executive (a)	1	1	–	–
D K Banerji	Non-Executive (b)	1	–	1	2
A Gupta (Appointed on and from 12th October 2022)	Non-Executive (b)	1	–	–	–
S Khasnobis	Non-Executive (b)	1	–	–	2
J L McIntosh	Executive	1	–	–	–
D G Rajan	Non-Executive (b)	4	3	5	7
K Sarda	Executive	1	–	–	1
G Swarup (Appointed on and from 12th October 2022)	Non-Executive (b)	6	2	–	5

\* Only 2 (two) Committees i.e. Audit Committee and Stakeholders Relationship Committee have been considered.

\*\* On and from 12th November 2022 elevated and appointed as Director – General Counsel of the Company. Prior thereto he held the office of Company Secretary of the Company.

a) Also Promoter

b) Also Independent



## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

Particulars of Directors ceasing to hold their office during FY 2022-23 are as follows.

Director's Name	Director's Category	On and from	Reason ceasing to hold office
Prof B Ray *	Non Executive Independent Director	28.05.2022	Resigned due to age and health issues and aforesaid reason for resignation has also been confirmed by resigning Directors
K S B Sanyal **	Non Executive Independent Director	28.05.2022	
T Suzuki	Non Executive Non Independent Director	27.08.2022	Resigned
Y Yamaguchi	Non Executive Non Independent Director	27.08.2022	

\* Casual Vacancy arising on resignation of Woman Director, Prof Bharati Ray on 28th May 2022, was filled on 12th October 2022. As Per Regulation 25(6) of SEBI LODR, 2015 vacancy arising of Woman Director was required to be filled up by 27th August 2022, which actually was filled on 12th October 2022. Thus, the Board of Directors of the Company did not comprise of at least one woman director from 28th August 2022, to 11th October 2022, as required under Regulation 17(1)(a) of the SEBI LODR, 2015. Delay of 45 days was for inability to locate a candidate of befitting profile willing to hold said office. For such delay, Stock Exchanges, NSE and BSE levied fine and same was paid by the Company morefully mentioned under Disclosures hereinafter. Management believes that on payment of such fine, noncompliance is remediated.

\*\* passed away on Monday, 13th February 2023.

None of the Directors of the Company :

- held Directorship in more than 10 Public Companies
- served as Director or Independent Director (ID) in more than seven Listed Companies
- who are Executive Directors served as IDs in any Listed Company
- was Member of more than 10 Committees or Chairperson of more than 5 Committees as reckoned in accordance with Regulation 26(1) of SEBI LODR, 2015
- was related inter-se.

All Executive Directors were liable to retire by rotation. Appointment of Executive Directors, including tenure and terms of remuneration have been approved by the Members of the Company and in case of Mr James L McIntosh also approved by Ministry of Corporate Affairs (MCA). Appointment of Non-Executive Directors, save as otherwise expressly provided in the Act, have been made at the Company's General Meeting.

Following Directors only held Directorship in other Listed Companies and relevant particulars thereof is summarized in Table below :

Listed Entity Name	Director's Name	Directorship Category
Balaji Telefilms Limited	D G Rajan	Independent Director
Rubfila International Limited	D G Rajan	Independent Director
DIGJAM Limited	D G Rajan	Independent Director
Graphite India Limited	G Swarup	Independent Director
Avadh Sugar & Energy Limited	G Swarup	Independent Director
Swadeshi Polytex Ltd	G Swarup	Non Independent Non Executive Director
KSB Limited	G Swarup	Non Independent Non Executive Director
Industrial and Prudential Investment Company Limited	G Swarup	Executive Director

Non-Executive Directors did not have any pecuniary relationship and/or transaction with the Company other than receiving Sitting Fees and/or reimbursement of out-of-pocket expenses for attending meetings of the Board and/or Committee(s) thereof. Your Board is of the opinion that Independent Directors fulfill conditions specified in SEBI LODR, 2015 and were independent of management of the Company.

**Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)**

During Financial Year (FY) 2022-23, 7 (seven) meetings of your Board were held and details thereof are as follows :

Board Meeting Dates	No. of Directors present
28th May 2022	6
5th August 2022	6
13th August 2022	6
29th August 2022	6
12th October 2022	5
12th November 2022	8
4th February 2023	8

Gap between two Board Meetings did not exceed 120 days prescribed under Section 173(1) of the Act and Regulation 17 of the SEBI LODR, 2015.

The Company effected payment of ₹ 20,000/- towards Sitting Fees for attending each meeting of the Board. AGM of the Company was last held on Wednesday, 28th September 2022. Attendance of the Directors at Board Meetings and at AGM held during FY 2022-23 has been as follows :

Director's Name	Number of Board Meetings held	Number of Board Meetings attended	Attended last AGM held on 28th September 2022
R Agarwal *	1	1	Yes (As Company Secretary of the Company)
SK Bajoria	7	6	Yes
DK Banerji	7	7	Yes
A Gupta **	2	2	NA
SKhasnobis	7	7	No
JL McIntosh	7	7	Yes
DGRajan	7	7	Yes
K Sarda	7	7	Yes
G Swarup **	2	1	NA
T Tsuzuki	3	-	NA
Y Yamaguchi	3	-	NA

Note : Prof B Ray and Mr K S B Sanyal resigned as Independent Director of the Company on and from 28th May 2022

\* Mr R Agarwal appointed as Director – General Counsel on 12th November 2022.

\*\* Ms A Gupta and Mr G Swarup appointed as Independent Directors on 12th October 2022.

Bajoria Financial Services Private Limited (BFSPL), 100% shareholding whereof is held by Mr S K Bajoria and his family members, was Holding Company of the Company. BFSPL through out FY 2022-23 held 1,84,54,353 Equity Shares, being 51.21% of Total Issued, Subscribed and Paid up Share Capital of the Company.

Krosaki Harima Corporation (KHC), Japan being foreign promoter of the Company through out FY 2022-23 held 55,90,156 Equity Shares, being 15.51% of Total Issued, Subscribed and Paid up Share Capital of the Company.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

Particulars of shareholding of Non-Executive Directors of the Company (both owned or held by/for other person(s) on beneficial basis), as on 31st March 2023, were as follows :

Director's Name	No. of Shares held
D K Banerji	-
A Gupta	-
S Khasnobis	-
D G Rajan	490
G Swarup	-

The Company primarily is a manufacturer of Specialized Refractories for producers of Iron and Steel. Hence, core skills, expertise and competencies identified to function effectively amongst others are managerial, technical and administrative including knowledge of legal, human management, public relations, finance, banking, IT, training domains. All of those continued to be available with each of the Board member in as much as they are from diverse fields and have said competencies individually as well as collectively. Table below gives summary of said competencies each of the Directors of the Company have.

Director's Name	Qualifications	Skill/Expertise/Competence			
		Managerial	Technical	Administrative	Others @
R Agarwal	B.Sc, Fellow Member of The Institute of Company Secretaries of India	✓	✓	✓	✓
S K Bajoria	B.Com (Hons)	✓	✓	✓	✓
D K Banerji	Bachelors Degree in Mathematics (Hons), Masters Degree in Mathematics, Masters Degree in Law (Cambridge University, UK)	✓	✓	✓	✓
A Gupta	M.A (International Affairs) and Business Communications (Columbia University)	✓	✓	✓	✓
S Khasnobis	Mechanical Engineer Graduate	✓	✓	✓	✓
J L McIntosh	Masters Degree in Technological Marketing, Post Graduate Diploma in Marketing and HNC in Mechanical & Process Engineering	✓	✓	✓	✓
D G Rajan	Fellow Member of ICAI (India), Life Member of Institute of Chartered Accountant in England & Wales, Fellow Member of Institute of Management Consultants of India, Associate Member of the Institute of Internal Auditors	✓	✓	✓	✓
K Sarda	B.Com (Hons), LLB, Fellow Member of ICAI (India)	✓	✓	✓	✓
G Swarup	Bachelor of Engineering (Mech), MBA (Harvard University)	✓	✓	✓	✓

@includes Legal, Human Resource, Public Relations, Banking and Finance, Education and Training.

### Information placed before the Board

During FY 2022-23, the Company held both virtual and hybrid i.e physical and virtual, meetings of the Board following requisite provisions of the Act and Circulars issued by MCA and SEBI. The Board Members, with permission of the Chairman brought matters not covered in Agenda for consideration of the Board. All major Agenda items were backed by comprehensive background information to enable the Board members to take informed decisions.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

### 3. Board Committees

The Company has six Board level Committees :

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Investment Committee
- Risk Management Committee

Terms of reference of the Board Committees were determined by the Board from time to time. Minutes of Board and Committee Meetings were placed in subsequent Board Meetings for the information of the Board. Role & Composition of these Committees and dates on which meetings thereof were held, attendance of Committee Members thereat, their role and responsibility etc are given below.

#### i) Audit Committee

Audit Committee of the Company comprised of following three Non-Executive Independent Directors, all financially literate and having accounting or related Financial Management expertise.

Director's Name	Position	No. of Meetings	
		Held	Attended
D G Rajan	Chairman	5	5
D K Banerji	Member	5	5
S Khasnobis *	Member	4	4

\* Appointed as member of the Committee on and from 20th June 2022.

5 (five) meetings of the Committee were held on 28th May 2022, 13th August 2022, 29th August 2022, 12th November 2022 and 4th February 2023 during FY 2022-23.

Mr K S B Sanyal resigned as Independent Director of the Company on and from 28th May 2022 and consequently effective that date ceased to be member of the Committee. He did not attend meeting of the Committee held on 28th May 2022.

Chairman, Managing Director, Director and Chief Executive Officer, Chief Financial Officer, Internal Auditors and Statutory Auditors also attended said meetings as and when required by the Committee. Company Secretary of the Company has been Secretary to the Committee.

Unaudited Quarterly and Audited Financial Results were reviewed, analysed and confirmed by the Committee before they were approved by the Board for submission to the Stock Exchanges and publication in newspapers in compliance of Regulation 47 of SEBI LODR, 2015.

Terms of reference of the Committee included powers and role to review information as specified in Part C of Schedule II of SEBI LODR, 2015 of the Company and its Subsidiaries.

#### ii) Corporate Social Responsibility Committee

Corporate Social Responsibility Committee of the Company constituted in compliance of Section 135 of the Act and Rules framed thereunder, comprised of following Executive and Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
D K Banerji	Chairman	1	1
S Khasnobis *	Member	1	1
S K Bajoria	Member	1	1

\* Appointed as member of the Committee on and from 20th June 2022.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

Prof B Ray and Mr K S B Sanyal resigned as Independent Directors of the Company on and from 28th May 2022, and consequently, effective that date, both of them ceased to be member thereof. Mr D K Banerji was appointed as Chairman of the Committee in place of Prof B Ray on and from 20th June 2022.

During FY 2022-23, 1 (one) meeting of the Committee was held on 13th August 2022. The Committee following its role and responsibility formulated and recommended to the Board, Policy indicating CSR activities to be undertaken, expenditure to be incurred on account thereof and monitoring the same on an ongoing basis. Annual Report on Corporate Social Responsibility (CSR) activities during FY 2022-23 form part of the Directors Report.

### iii) Nomination and Remuneration Committee

As per Para A of Part D of Schedule II of SEBI LODR, 2015, role of the Nomination and Remuneration Committee (the Committee) included formulation of criteria for determining qualification, positive attributes and independence of Directors and recommend to the Board, Policy relating to Remuneration of Directors, Key Managerial Personnel and other Employees. Role also included determination on behalf of the Board and on behalf of the Shareholders, Policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment and/or to recommend remuneration including perquisites payable by the Company on their appointment and/or re-appointment and remuneration, in whatever form, payable to Senior Management.

The Committee laid down criteria for evaluation of performance of Independent Directors and the Board, which inter-alia included concern for stakeholders, contribution to setting strategy and policy, directions, knowledge and approach to issues placed before the Board and also that the Directors excluding the Director whose performance is under evaluation, at their first meeting of each FY, evaluate performance and based on such evaluations, decide whether to extend or continue term of appointment of the Independent Director concerned.

As a succession planning measure Mr R Agarwal who held the office of Company Secretary of the Company was elevated and appointed as Director – General Counsel of the Company on and from 12th November 2022 and in the vacancy arising, Mrs M Damani, who held the office of Deputy Company Secretary of the Company, was appointed as Company Secretary of the Company effective that date.

This Committee comprised of following Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
D G Rajan	Chairman	6	6
D K Banerji	Member	6	6
S Khasnobis *	Member	5	5

\* Appointed as member of the Committee on and from 20th June 2022.

Mr K S B Sanyal resigned as Independent Director of the Company on and from 28th May 2022 and consequently, effective that date, ceased to be member of the Committee. He did not attend meeting of the Committee held on 28th May 2022.

6 (six) meetings of the Committee were held on 28th May 2022, 13th August 2022, 29th August 2022, 12th October 2022, 12th November 2022 and 4th February 2023 during FY 2022-23.

Remuneration paid/payable to Executive and Non-Executive Directors for FY 2022-23 by the Company is as follows : (₹ in lakhs)

Name of Director's	Salary and Other Benefits				Sitting Fees	
	Salary (including House Rent Allowance)	Commission	Contribution to Provident and other Funds	Other Perquisites	Board Meetings	Committee Meetings
R Agarwal (c)*	136.62	–	**8.50	0.45	–	–
S K Bajoria (d)*	180.00	64.70	7.20	15.69	–	–
D K Banerji	–	–	–	–	1.40	1.65
A Gupta @@	–	–	–	–	–	–
S Khasnobis	–	–	–	–	1.40	0.75
J L McIntosh (e)*	@145.57	–	@56.26	@5.02	–	–

**Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)**

(₹ in lakhs)

Name of Director's	Salary and Other Benefits				Sitting Fees	
	Salary (including House Rent Allowance)	Commission	Contribution to Provident and other Funds	Other Perquisites	Board Meetings	Committee Meetings
D G Rajan	–	–	–	–	1.40	0.80
K Sarda (f)*	148.06	–	** 9.46	0.45	–	–
G Swarup	–	–	–	–	0.20	–

Remuneration includes Salary, Commission, Allowances, wherever applicable Company's contribution to retirement funds etc and monetary value of Perquisites all evaluated as per extant provisions of Income Tax Act, 1961 and Rules framed thereunder excluding perquisite on account of Motor Car.

\*As per Ind AS - 24 (Refer Note 36 - Related Party Disclosures to Statement of Accounts)

\*\* excluding contribution towards Gratuity as ceased to be member of Gratuity Fund prior to year end and hence not ascertainable.

@ excluding Remuneration paid/payable from wholly owned subsidiary, IFGL Worldwide Holdings Limited.

@@ Ms Anita Gupta has forgone her entitlement of Sitting Fees.

- c) i) Regular employment. Appointment as Director - General Counsel valid upto 11th November 2025.  
ii) Notice Period and Severance Fees - 90 days Notice from either side or Salary in lieu thereof
- d) i) Fixed Term Service Contract valid upto 31st March 2023. On 20th January 2023, an agreement was executed for re-appointment of Mr S K Bajoria as Chairman of the Company for the period 1st April 2023 to 31st March 2026, approved by shareholders of the Company by passing Special Resolution at last Annual General Meeting held on Wednesday, 28th September 2022.  
ii) Notice Period and Severance Fees - 3 months Notice from either side or Salary in lieu thereof.  
iii) Commission variable within - 1% of the 'Net Profit' eligible.
- e) i) Appointed as Managing Director w.e.f 1st September 2021.  
ii) Fixed Term Service Contract valid upto 31st August 2024.  
ii) Notice Period and Severance Fees - 180 days Notice from either side or Salary in lieu thereof
- f) i) Regular employment. Appointment as Whole-time Director valid upto 30th November 2024.  
ii) Notice Period and Severance Fees - 3 months Notice from either side or salary in lieu thereof

No stock option has been given to the Directors.

**iv) Stakeholders Relationship Committee**

As on 31st March 2023, this Committee comprised of following Executive and Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
D K Banerji	Chairman	13	13
K Sarda	Member	13	13
S Khasnobis	Member	13	–

During FY 2022-23, 13 (thirteen) meetings of the Committee were held on 2nd April 2022, 30th April 2022, 30th May 2022, 27th June 2022, 23rd July 2022, 20th August 2022, 17th September 2022, 15th October 2022, 12th November 2022, 10th December 2022, 9th January 2023, 4th February 2023 and 4th March 2023.

Following Para B of Part D of Schedule II of SEBI LODR, 2015, role of the Committee included redressal of Shareholders complaints relating to transfer/transmission of shares, non-receipt of annual report, non-receipt of dividends/shares, issue of new/duplicate certificates etc. Role of the Committee also included reviewing measures taken for a) effective exercise of voting rights by Shareholders b) adherence

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

of Company's service standards by Registrar and Share Transfer Agent c) various measures taken by the Company to reduce quantum of unclaimed dividends and ensuring timely receipt of documents by the Shareholders.

Company Secretary under authority vested following provisions of Regulation 40 of SEBI LODR, 2015 approved transmission, transposition etc of shares subject to ratification at immediately succeeding meeting of the Committee.

Status of complaints received from Shareholders/Investors is as follows :

Number of complaints pending as on 1st April 2022	-
Number of complaints received during the year	11
Number of complaints resolved during the year	11
Number of complaints pending as on 31st March 2023	-

Most of the complaints received related to non-receipt of a) Share Certificates b) Dividend c) Annual Report d) Shares/Dividend transferred to IEPF etc.

SCORES is used as a platform for communication between the SEBI and the Company. As on 31st March 2023, there was no pending complaint on the SCORES platform.

### v) Investment Committee

As on 31st March 2023, this Committee comprised of following Executive and Non-Executive Independent Directors :

Director's Name	Position	No. of Meetings	
		Held	Attended
S K Bajoria	Chairman	1	1
S Khasnobis	Member	1	1
K Sarda	Member	1	1

During FY 2022-23, 1(one) meeting of the Committee was held on 4th February 2023.

Role of the Committee is to inter-alia examine and recommend measures for management of foreign currency exposures and opportunities for deployment of cash surpluses available with the Company.

### vi) Risk Management Committee

As on 31st March 2023, this Committee comprised of following Executive and Non-Executive Independent Directors :

Member's Name	Position	No. of Meetings	
		Held	Attended
D K Banerji	Chairman	3	3
K Sarda	Member	3	3
R Agarwal	Member	3	3

During FY 2022-23, 3 (three) meetings of the Committee were held on 28th May 2022, 12th November 2022 and 4th February 2023.

The Board has laid down role and responsibility of the Risk Management Committee and delegated monitoring and reviewing of the Risk Management Plan to the Committee which inter alia included evaluating risk related to cyber security, coordinate its activities with Audit Committee, make proper reports to the Board with respect to risk management and minimization procedure, review adequacy of policy periodically etc and in this regard have had authority to obtain advice and assistance from internal or external legal, accounting or other advisors.

Risk Management Policy as formulated and recommended by the Risk Management Committee has been displayed on the Company's website [https://ifglgroup.com/wp-content/uploads/2023/04/Risk\\_Management\\_Policy.pdf](https://ifglgroup.com/wp-content/uploads/2023/04/Risk_Management_Policy.pdf).



## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

### 4. General Body Meetings

Location and time, where last three AGMs of the Company were held :

AGM	FY	Date	Time	Place
13th	2019-20	Saturday, 26th September 2020	11:10 AM	Was held through Video Conferencing/Other Audio Visual means for which purpose Registered office situated at Sector 'B', Kalunga Industrial Estate, P.O.: Kalunga 770031, Dist. Sundergarh, Odisha was deemed as venue for the meeting
14th	2020-21	Saturday, 7th August 2021	11 AM	- do -
15th	2021-22	Wednesday, 28th September 2022	4:30 PM	- do -

Special Resolutions passed at the last 3 (three) AGMs of the Company

FY	Items
2019-20	i) For re-appointment and payment of remuneration of Mr S K Bajoria (DIN - 00084004) as Executive Chairman of the Company for the period of three years i.e from 1st April 2020 to 31st March 2023. ii) For re-appointment and payment of remuneration of Mr P Bajoria (DIN - 00084031) as Managing Director of the Company for the period of three years i.e from 1st April 2020 to 31st March 2023. iii) For re-appointment and payment of remuneration of Mr K Sarda (DIN - 03151258) as Director and Chief Financial Officer of the Company for the period of three years i.e from 1st October 2020 to 30th September 2023.
2020-21	Scheme for Reduction of Capital for utilising balance lying in Securities Premium Account as on 1st April 2021 to write off and or adjust unamortised balance of Goodwill as on that date of ₹ 13,349.71 lakhs
2021-22	i) For re-appointment of Mr D G Rajan (DIN - 00303060) as an Independent Director for five consecutive years upto conclusion of 20th AGM of the Company. ii) For re-appointment of Mr D K Banerji (DIN - 03529129) as an Independent Director for five consecutive years upto conclusion of 20th AGM of the Company. iii) For re-appointment of Mr S Khasnobis (DIN - 00025497) as an Independent Director for five consecutive years upto conclusion of 20th AGM of the Company. iv) For re-appointment and payment of remuneration of Mr S K Bajoria (DIN - 00084004) as Executive Chairman of the Company for the period of three years i.e from 1st April 2023 to 31st March 2026.

### Extra Ordinary General Meeting (EGM)

An Extra Ordinary General Meeting (EGM) of the Company was called on the requisition of Bajoria Financial Services Pvt Ltd, which held 51.21% of total equity share capital of the Company on Tuesday, 30th August 2022 at 11 AM for removal of Mr Tetsuo Tsuzuki (DIN - 08557222) and Mr Yuji Yamaguchi (DIN - 09047766), as Non-Executive Non Independent Directors of the Company.

EGM convened was cancelled and not held since, by letters dated 27th August 2022 addressed to the Board of Directors of the Company, Mr Tetsuo Tsuzuki (DIN - 08557222) and Mr Yuji Yamaguchi (DIN - 09047766) tendered resignations.

### Postal Ballot

The Company conducted following business in as much as passed Special Resolution through Postal Ballot during FY 2022-23, which was conducted by Practicing Company Secretary, Mr S M Gupta (FCS No. 896, CP No. 2053) appointed as Scrutinizer.

- Appointment of Mr G Swarup (DIN - 00374298) as Non-Executive Independent Director for 5 (five) consecutive years on and from Wednesday, 12th October 2022.
- Appointment of Ms A Gupta (DIN - 09753188) as Non-Executive Independent Director for 5 (five) consecutive years on and from Wednesday, 12th October 2022.
- Appointment of Mr R Agarwal (DIN - 09786410) as Director-General Counsel, liable to retire by rotation, for a period of 3 (three) years from 12th November 2022 to 11th November 2025, both days inclusive.

All of the above Special Resolutions were passed with overwhelming majority and results were declared on 12th January 2023.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

### 5. Means of Communication

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is core of good governance. Following this, the Company :

- Announced Quarterly Results and Audited Annual Results within time permissible under SEBI LODR, 2015 and Stock Exchanges were intimated immediately after the same were taken on record by the Board. Further coverage was given for the benefit of Shareholders and Investors by publication of Financial Results in English and Odia newspapers as was applicable [Business Standard (All Editions) and Pratidin – Odia widely circulating in the State of Odisha]. As per SEBI LODR, 2015, newspaper publications are also uploaded on websites of BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE).
- Made available Audited/Unaudited Financial Results and other pertinent information of the Company on its website i.e. [www.ifglref.com](http://www.ifglref.com) (upto 10th April 2023) and thereafter on [www.ifglgroup.com](http://www.ifglgroup.com) and website of NSE i.e. [www.nseindia.com](http://www.nseindia.com) and website of BSE i.e. [www.bseindia.com](http://www.bseindia.com).
- Uploaded information relating to Shareholding Pattern, its Annual Report and those of Subsidiaries, Corporate Announcements, Investors Presentation, Transcript of Quarterly Earnings Call with Investors on its website [www.ifglgroup.com](http://www.ifglgroup.com)

### 6. General Shareholder Information

<b>Date of AGM</b>	Friday, 25th August 2023
<b>Financial Year</b>	2022-23
<b>Time</b>	11 AM
<b>Venue</b>	Through Video Conferencing/Other Audio Visual Means
<b>Financial Calendar 2023-2024</b> (tentative and subject to change)	<ul style="list-style-type: none"> <li>• Financial Year – April to March</li> <li>• First Quarter Results – by second week of August 2023</li> <li>• Second Quarter Results – by second week of November 2023</li> <li>• Third Quarter Results – by second week of February 2024</li> <li>• Audited Results for the year ending 31st March 2024 – by last week of May 2024</li> </ul>
<b>Book Closure Period</b>	Saturday, 19th August 2023 to Friday, 25th August 2023
<b>Dividend Payment Date</b>	On Saturday, 27th May 2023, the Board of Directors of the Company has recommended payment of Dividend of 70% (₹ 7/- per Equity Share) for FY 2022-23 subject to approval of the Shareholders at ensuing AGM. Payment of said Dividend will be made on or after Wednesday, 30th August 2023.

#### Listing on Stock Exchanges

Equity Shares of the Company are listed both on NSE and BSE, details whereof are provided hereinbelow :

Name of the Stock Exchange	Address	Scrip Code
BSE	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	540774
NSE	'Exchange Plaza', C-1, Block – G, Bandra – Kurla Complex, Bandra (E), Mumbai 400051	IFGLEXPOR

Payment of Listing Fee for FY 2023-24 has been made to said Stock Exchanges. ISIN allotted to the Company under the Depository System is INE133Y01011. Annual Custody Fee for FY 2023-24 has also been paid to Depositories CDSL and NSDL.

**Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)****Address for correspondence**

<b>Registered Office</b>	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770031, Dist. Sundergarh, Odisha Tel : +91 661 2660195, E-mail : <a href="mailto:ifgl.works@ifgl.in">ifgl.works@ifgl.in</a>
<b>Head &amp; Corporate Office</b>	McLeod House, 3, Netaji Subhas Road, Kolkata 700001 Tel : +91 33 40106100, E-mail : <a href="mailto:ifgl.ho@ifgl.in">ifgl.ho@ifgl.in</a> and <a href="mailto:investorcomplaints@ifgl.in">investorcomplaints@ifgl.in</a>

**Corporate Identification Number (CIN)**

CIN of the Company is L51909OR2007PLC027954

**Market Price Data**

Equity Shares of the Company have regularly been traded on BSE and NSE. Following is month-wise high/low prices of the Company's Equity Shares on BSE and NSE.

Months	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2022	322.00	260.05	323.00	257.25
May 2022	310.00	247.25	290.00	248.00
June 2022	301.80	238.30	312.00	241.00
July 2022	298.00	266.15	289.90	266.35
August 2022	297.00	252.50	288.45	252.00
September 2022	288.00	250.20	282.00	252.30
October 2022	259.90	242.10	260.05	242.05
November 2022	284.00	232.20	280.30	242.00
December 2022	276.00	244.60	277.00	245.00
January 2023	289.00	253.00	289.85	252.05
February 2023	266.60	222.00	266.90	224.15
March 2023	238.95	196.95	233.55	198.00

Increase or decrease in the SENSEX/NIFTY has largely been not commensurate to fluctuations in Market Price of Company's Equity Share.

**7. Disclosures :**

- A Statement in summary form of transactions with related parties in the ordinary course of business was placed periodically before the Board/Audit Committee. All transactions with the related parties have been on an arms length basis. A Policy on transactions with related parties together with addendum have been hosted on Company's website at <https://ifglgroup.com/wp-content/uploads/2023/04/Policy-on-transactions-Related-Parties2019.pdf>.
- The Company have had no materially significant related party transactions, which may have potential conflict with interest of the Company.
- For disclosures of related party relationship and transactions as per Ind AS-24, "Related Party Disclosure", Note 36 to the Annual Audited Accounts of the Company for the FY ended 31st March 2023 may be referred to. Half yearly disclosures of Related Party Transactions have been filed with Stock Exchanges and hosted on Company's website at <https://ifglgroup.com/investor/disclosure/>.
- Resume and other information of the Director proposed to be re-appointed at ensuing AGM of the Company are given in the Notice relating thereto to the Shareholders as required under Regulation 36(3) of SEBI LODR, 2015. Copy of Policy on Board Diversity devised by Nomination and Remuneration Committee of the Company has been hosted on Company's website at [https://ifglgroup.com/wp-content/uploads/2023/04/Policy\\_on\\_Board\\_Diversity-2018.pdf](https://ifglgroup.com/wp-content/uploads/2023/04/Policy_on_Board_Diversity-2018.pdf).
- Management Discussion and Analysis Report and Business Responsibility and Sustainability Report form part of the Directors' Report to the Shareholders for FY ended 31st March 2023.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

- In accordance with requirement of Corporate Governance, the Board of the Company formulated a Code of Conduct for Board, including Independent Directors and Senior Management Personnel and the compliance thereof has been affirmed by all concerned. The Code provides for duties of Independent Directors as laid down in the Act. Required declaration to this effect signed by the Managing Director of the Company is appended as a separate Annexure to this Report. This Code of Conduct, adopted by the Company, has also been hosted on Company's website at <https://ifglgroup.com/wp-content/uploads/2023/04/Code-of-Conduct-for-Board-and-Senior-Management-2018.pdf>.
- SEBI passed an adjudication order dated 18th October 2022 and levied penalty of ₹ 5,00,000 on the Company. The Company filed an appeal against said order of SEBI before Securities Appellate Tribunal (SAT) which was pleased to pass an order on 6th January 2023 thereby quashed order of SEBI. SEBI has filed an appeal against said order of SAT before Hon'ble Supreme Court and which was pleased to grant stay and tag the appeal of SEBI with Appeal before them of Suzlon Energy Ltd involving similar question of law.
- BSE and NSE levied fine each of ₹ 2,25,000 for alleged violation of Regulation 17 of SEBI LODR, 2015, which have been paid by the Company. Other than aforesaid no penalties/strictures were imposed on the Company by any regulatory authority on any matter related to capital markets during last three years.
- Minutes of Subsidiary Companies were placed before the Board of the Company and attention drawn to significant transactions and arrangement entered into by Subsidiary Companies. The Company have had no Indian Subsidiary. Policy and Addendum to Policy for determining Material Subsidiaries has also been hosted on Company's website at [https://ifglgroup.com/wp-content/uploads/2023/04/Policy\\_for\\_Determining\\_Material\\_Subsiaries-2018.pdf](https://ifglgroup.com/wp-content/uploads/2023/04/Policy_for_Determining_Material_Subsiaries-2018.pdf). The Company have following Material Subsidiaries.

Name of Material Subsidiaries	Incorporation Details		Details of Statutory Auditor	
	Place	Date	Name	Date of appointment
IFGL Worldwide Holdings Limited	Isle of Man	24th August 2005	There is no requirement of statutory audit to be carried out under extant laws and regulations of Isle of Man.	
El Ceramics LLC	USA	2nd May 2002	Plante & Moran, PLLC	6th July 2022
Monocon International Refractories Limited	UK	23rd October 1973	UHY Hacker Young	22nd July 2020

- Company's Step Down and Wholly Owned Subsidiary in UK, Monocon International Refractories Limited, made acquisition of 100% shareholding of Sheffield Refractories Limited, UK on 24th February 2023.
- The Company has laid down procedures to inform the Board Members about the risk assessment and minimisation. Said procedures were periodically reviewed to ensure that Executive Management control risks through means of a properly defined framework. These procedures have also been adopted by the Company.
- The Company has formulated the Code of Conduct for Prevention of Insider Trading in Securities of the Company by its Directors and Employees in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015 amended to date and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information following said SEBI Insider Trading Regulations. These Codes of Conduct adopted by the Company have been hosted on Company's website at <https://ifglgroup.com/wp-content/uploads/2023/04/Code-of-Conduct-for-Insider-Trading-2018.pdf>. For the purposes of these Codes, Company Secretary, Mrs M Damani is Compliance Officer and Director and Chief Executive Officer India, Mr K Sarda is Chief Investor Relations Officer.
- The Company has appointed Strategic Growth Advisors Private Limited (Mr Samir Shah) of 402, Pressman House, Near Orchid Hotel, 70A, Nehru Road, Vile Parle (East), Mumbai 400099 as Investor Relations Advisors. Quarterly Results and presentation made to analysts have been hosted on Company's website <https://ifglgroup.com/investor/financial-performance/> and <https://ifglgroup.com/investor/investor-presentation/> respectively. Transcripts of Quarterly Conference Calls on Financial Performance and discussion with Research Analyst(s) have also been hosted on said website at <https://ifglgroup.com/investor/meetings-reports/>.
- The Board of the Company has put in place a Policy for Prevention of Sexual Harassment following provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Copy of said Policy has been hosted on Company's website at <https://ifglgroup.com/wp-content/uploads/2023/04/Policy-for-Prevention-of-Sexual-Harassment-2020.pdf>. During FY 2022-23, no complaint was received under said Policy.
- The Board of the Company have received a Certificate from the Director and Chief Executive Officer and Chief Financial Officer of the Company in compliance of Regulation 17(8) of SEBI LODR, 2015.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

- The Company has a Vigil Mechanism (Whistle Blower) Policy for Directors and Employees, both permanent and temporary, to report concerns about unethical conduct and improper practices or alleged fraud or violation of Code of Conduct or Ethics Policy, to the Managing Director or Compliance Officer or the Audit Committee soon after becoming aware of the same. Said Policy inter alia provide for adequate safeguards against victimisation of persons availing mechanism of the same and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Company has adopted said Policy and hosted a copy thereof on Company's website at <https://ifglgroup.com/wp-content/uploads/2023/05/Vigil-Mechanism-Whistle-Blower-Policy.pdf>. and no complaint thereunder was received during FY ended on 31st March 2023. During FY 2022-23, no person was denied access to the Audit Committee with regard to aforesaid.
- Pursuant to Regulation 40(9) of SEBI LODR, 2015, Certificate on annual basis was issued by a Company Secretary in Practice for due compliance of SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25th January 2022 by the Company. Said certificate was filed with Stock Exchanges within prescribed time.
- A Chartered Accountant in full time practice carried out Reconciliation of Share Capital Audit to reconcile total admitted capital with NSDL and CDSL and the total issued and listed capital of the Company. The Audit confirmed that the total issued/paid up capital has been in agreement with the aggregate of total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).
- The Company has complied all mandatory requirements of Corporate Governance. Compliance of non mandatory requirements are dealt with at the end of the Report. Compliance Reports in format prescribed has been sent to Stock Exchanges within prescribed time.
- Independent Directors have confirmed that they meet criteria of 'Independence' as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR, 2015. None of the Independent Directors of the Company is a Non Independent Director of another Company on the Board of which Non Independent Director of the Company is an Independent Director.
- Formal letters of appointment have been issued to the Independent Directors and hosted on Company's website at <https://ifglgroup.com/company/leadership>.
- Independent Directors have enrolled themselves in the Independent Directors Databank maintained with the Indian Institute of Corporate Affairs.
- Meetings of the Independent Directors of the Company were held on 28th May 2022 and 13th August 2022 whereat all of them were present. Independent Directors following Company's Policy familiarised themselves with their roles, rights and responsibilities, nature of industry in which the Company operated, business models of the Company etc. Details of familiarisation programmes forming part of Company's Policy therefor have been hosted on Company's website at [https://ifglgroup.com/wp-content/uploads/2023/04/familiarization\\_programme\\_for\\_independent\\_directors-2018.pdf](https://ifglgroup.com/wp-content/uploads/2023/04/familiarization_programme_for_independent_directors-2018.pdf).
- In a meeting held on 27th May 2023, Independent Directors of the Company inter-alia reviewed performance of Non Independent Directors and the Board as a whole and the Chairperson of the Company through structured questionnaires taking into account views of Executive Directors and Non-Executive Directors. Quality, Quantity and Timeliness of flow of information between the Company Management and the Board necessary for the Board to effectively and reasonably perform their duties was also assessed. These were found to be satisfactory.
- Website [www.ifglgroup.com](http://www.ifglgroup.com) of the Company is functional and provide, information in accordance with Regulation 46 of SEBI LODR, 2015.
- In compliance of Regulation 7(3) of SEBI LODR, 2015, Compliance Certificate duly signed by Compliance Officer of the Company and authorised representative of Share Transfer Agent for financial year ended on 31st March 2023 have been submitted to Stock Exchanges within time prescribed.
- Dividend Distribution Policy adopted by Board of Directors has been hosted on Company's website at <https://ifglgroup.com/wp-content/uploads/2023/04/Dividend-Distribution-Policy.pdf>.
- As on 31st March 2023, Company's rank by market capitalisation was 1026 and 1083 in NSE and BSE respectively.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

- Major currency for exports of the Company has been Euro. During the year, the Company did not enter into any hedging transaction including in commodity or currency.
- Manufacturing facilities of the Company are situated at a) i) Plot Nos 638-644 ii) Plot No. 64-65, Phase-I, Sector-I and iii) Plot No. 332, Phase-I, Sector-IV of Kandla Special Economic Zone, P.O. Gandhidham 370230, Dist. Kutch, Gujarat b) Sectors 'A' and 'B', Kalunga Industrial Estate, P.O. Kalunga 770031, Dist. Sundergarh, Odisha and c) Industrial Park, APIIC – Denotified Area, Atchutapuram 531011, APSEZ, Visakhapatnam District, Andhra Pradesh. During the year, the Company acquired additional plots of land on lease at IDCO Plot Nos. 655(P) and 220/A at Industrial Estate, Kalunga.
- The Company did not raise any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of SEBI LODR, 2015.
- During FY 2022-23, there has been no Loans and Advances in the nature of Loans to Firms/Companies in which Directors were interested.
- During FY 2022-23, ICRA Limited reaffirmed Credit Ratings assigned to long term rating of [ICRA] AA-(pronounced ICRA AA Minus) and short term rating of [ICRA] A1+ (pronounced ICRA A One Plus) assigned earlier to the ₹ 173 crore Bank Facilities of the Company, and has assigned a long term rating of [ICRA] AA-(pronounced ICRA AA Minus) and short-term rating of [ICRA] A1+ (pronounced ICRA A One Plus) to ₹ 100 crore Bank Facilities. The Outlook on the long-term rating was assigned Stable.
- The Company has obtained Certificate from Practicing Company Secretary that none of its Directors is debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI/Ministry of Corporate Affairs or any such authority and same is appended as a separate annexure to this Report.
- In order to strengthen statutory compliance framework, Compliance Tool designed by M/s Price Waterhouse Coopers Pvt Ltd is in the process of being implemented.
- The Company, being conscious of its responsibilities towards environment sustenance and governance, more so ever in view of amended provisions relating to Business Responsibility and Sustainability Report applicable from 1st April 2022, has appointed M/s Price Waterhouse Coopers Pvt Ltd to extend hand-holding and design requisite framework therefor. Several new initiatives concerning ESG are being pursued, including for enhanced engagement with areas including people residing therein, neighboring manufacturing facilities of the Company.
- The Board of the Company has accepted all mandatory recommendations made by its Committees during FY 2022-23.
- Fees paid/payable for FY 2022-23 by the Company to Statutory Auditors and their associates for services availed from them is summarised in table below :

Amounts Paid/Payable to Auditors	Amount in ₹ in lakhs
<b>As Auditors</b>	
For Statutory Audit including Limited Reviews	36.00
Reimbursement of Expenses	2.95
<b>Total</b>	<b>38.95</b>

No such fee was paid/payable by any of the Subsidiaries of the Company.

- Other items which are not mentioned in this Report are mentioned in the Directors' Report and those items which are not applicable to the Company have not been separately commented upon.

### Registrar and Share Transfer Agent for Physical and Demat Segments (RTA)

Maheshwari Datamatics Private Limited (MDPL)

Registered Office :

23, R N Mukherjee Road, 5th Floor, Kolkata 700001

Tel : +91 33 22482248,

E-mail : [mdpldc@yahoo.com](mailto:mdpldc@yahoo.com)

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

### Compliance Officer

Mrs M Damani, Company Secretary  
 Head & Corporate Office :  
 McLeod House, 3, Netaji Subhas Road, Kolkata 700001  
 Tel : +91 33 40106155,  
 E-mail : [mansi.damani@ifgl.in](mailto:mansi.damani@ifgl.in)

All communications on matters relating to Shares, Dividend etc may be sent directly to Registrar and Share Transfer Agent and complaints, if any, on these matters may also be sent to [investorcomplaints@ifgl.in](mailto:investorcomplaints@ifgl.in) or to the Compliance Officer.

### Share Transfer System

As per Regulation 40 of SEBI LODR, 2015, as amended, securities of Listed Companies can be transferred only if the same is in dematerialised form except in case of request received for transmission or transposition. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form were requested from time to time to consider converting their holdings to dematerialised form. Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company. Stakeholders Relationship Committee of the Directors of the Company, inter alia deal with all matters relating to shares including transmission, transposition, retrieval from IEPF Authority, dividends, non-receipt of Annual Report etc and for the purpose have delegated authority and/or empowered Company Secretary of the Company, Mrs M Damani. It is continued endeavour of the Company to dispose of said requests within maximum of 15 days from the date of receipt of grievance, provided documents tendered are complete in all respect, in the manner stated hereinbefore.

### Distribution of Equity Shareholding

Following is the distribution of Company's Equity Shares as on 31st March 2023.

Category	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Promoter's Holding*				
- Indian Promoter	6	0.03	2,05,14,618	56.92
- Foreign Promoter	1	0.01	55,90,156	15.51
Financial Institutions/Banks/Mutual Funds	6	0.03	35,71,210	9.91
Alternate Investment Funds	1	0.01	1,95,000	0.54
Directors/KMP	6	0.03	6,386	0.02
NRIs/Clearing Member/Trust	266	1.40	1,34,988	0.38
Private Body Corporate	108	0.57	1,83,951	0.51
Investor Education and Protection Fund Authority	1	0.01	5,37,087	1.49
Individuals	18,096	95.56	50,54,311	14.02
Resident Individual (HUF)	445	2.35	2,51,605	0.70
<b>Total</b>	<b>18,936</b>	<b>100.00</b>	<b>3,60,39,312</b>	<b>100.00</b>

\* Not pledged or otherwise encumbered in any manner.



## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

Number of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 500	17,582	92.85	18,47,273	5.13
501 to 1000	725	3.83	5,79,597	1.61
1001 to 2000	343	1.81	5,10,035	1.42
2001 to 3000	105	0.55	2,67,013	0.74
3001 to 4000	43	0.23	1,51,323	0.42
4001 to 5000	36	0.19	1,68,708	0.47
5001 to 10000	56	0.30	4,13,891	1.15
10001 and above	46	0.24	3,21,01,472	89.07
<b>Total</b>	<b>18,936</b>	<b>100.00</b>	<b>3,60,39,312</b>	<b>100.00</b>

### Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in Dematerialised form on NSE and BSE. Under the Depository System, as on 31st March 2023, 98.46% of the Equity Shares of the Company were dematerialized and following was the distribution in electronic (with NSDL and CDSL) and physical mode as on said date .

	Number of Shares	% of Total Equity Shares
In DEMAT with		
– NSDL	3,38,09,520	93.81
– CDSL	16,75,540	4.65
In Physical	5,54,252	1.54

### 8. Unclaimed Dividend/Shares

Pursuant to provisions of Section 124 of the Act, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('Rules'), the dividends, unclaimed for a period of 7 (seven) years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to the IEPF. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a consecutive period of 7 (seven) years from the date of transfer of the dividend to the Unpaid Dividend Account is also mandatorily required to be transferred to the IEPF Authority established by the Central Government.

The details of unclaimed dividends declared for payment by erstwhile IFGL Refractories Limited (Transferor Company), merged with the Company on and from 1st April 2016 and shares, transferred to IEPF within statutory timelines are as follows :

Financial Year	Unclaimed/Unpaid Dividend Transferred		Shares Transferred		Number of Shares Transferred
	Date of Transfer	Amount Transferred	Date of Transfer	No. of Holders	
2014-15	11.10.2022	16,30,818	19.10.2022	263	28,687
2015-16	26.04.2023	16,48,714	08.05.2023	284	36,587

The Company has sent individual communication to the concerned shareholders at their registered address, whose dividend remained unclaimed and whose shares were liable to be transferred to the IEPF. Advertisement in this regard was also published in Business Standard and local Odiya newspaper Pratidin on 16th June 2022. Any person whose unclaimed dividend and shares pertaining thereto has been transferred to the IEPF can claim their entitlements from the IEPF Authority by making an electronic application in web-form IEPF-5. Upon submitting a duly completed form, the Shareholders are required to take print of the same and send physical copy duly signed along with requisite documents as specified in the Form to Company. No Claims shall lie against the Company in respect of the dividend/shares so transferred. Details of such unclaimed/unpaid dividend transferred and relevant particulars of Equity Shares transferred have been hosted on Company's website at <https://ifglgroup.com/investor/shareholders-information/>.

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

Going forward, unclaimed/unpaid dividends declared by the Company will fall due for transfer to IEPF. Table below gives information relating to dividends declared by the Company and dates by they are required to be transferred to IEPF. Particulars of persons entitled to said unpaid/unclaimed dividends are appearing on Company's website <https://ifglgroup.com/investor/shareholders-information/> and claims in respect thereof may either be sent to the Company or its Registrar and Share Transfer Agent.

FY	Date of Declaration of Dividend	Last Date for transfer to IEPF*
2016-17	23.12.2017	21.02.2025
2017-18	25.08.2018	24.10.2025
2018-19	27.07.2019	25.09.2026
2019-20	08.02.2020	08.04.2027
2020-21	07.08.2021	06.10.2028
2021-22	28.09.2022	27.11.2029

\* Indicative dates. Actual dates may vary.

As on 31st March 2023, there were no shares of any shareholder lying in the demat suspense account or unclaimed suspense account. The disclosure required to be given under Regulation 34(3) read with Para F of Schedule V of the SEBI LODR 2015 are therefore not applicable.

### 9. Status of Adoption of the Non Mandatory Requirements :

#### Audit Qualification

On Financial Statements for FY 2022-23 of the Company, Statutory Auditors have not made any qualification or adverse remarks. Their opinion thereon is unmodified.

The auditor has incorporated the following Emphasis of Matter :

'We draw attention to Note 2 to the Corporate Governance Report, which describe that the Board of Directors of the Company did not comprise of at least one Woman Director from 28th August 2022 to 11th October 2022 as required under Regulation 17(1)(a) of the Listing Regulations. As further disclosed in the said Note, pursuant to payment of necessary fine, the Company believes that this non-compliance have now been remediated'.

#### Other Items

Extract in compliance of Regulation 33 of SEBI LODR, 2015, published by the Company in English and Vernacular Newspapers, were filed with BSE and NSE and also hosted on its website. Internal Auditor of the Company reported to Executive Directors and their Quarterly Reports were mandatorily placed before the Audit Committee for discussion.

The Company has implemented relevant and applicable provisions of the Act and Rules framed thereunder and also SEBI LODR, 2015.

### 10. Auditors' Certificate on Corporate Governance

As required under Para E of Schedule V of SEBI LODR, 2015, Company's Statutory Auditors Certificate that the conditions of Corporate Governance have been complied by the Company is attached.

#### Annual Certificate under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

##### DECLARATION

As required under Regulation 34(3) read with Para D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that affirmation for compliance of Code of Conduct has been received from all the Board Members and Senior Management Personnel i.e. Employees in the grades of General Manager and above of the Company for Financial Year ended 31st March 2023.

Kolkata  
 27th May 2023

**James L McIntosh**  
 Managing Director  
 (DIN - 09287829)

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015) as amended

To,  
**The Members**  
**IFGL Refractories Limited**

We have examined relevant registers, records, forms, returns and disclosures received from the Directors of IFGL Refractories Limited (CIN : L51909OR2007PLC027954) and having registered office at Sector B, Kalunga Industrial Estate, P.O. Kalunga, Rourkela, Dist. Sundergarh, Odisha 770031 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers (including by way of electronic mode), we hereby certify that none of the Directors mentioned below on the Board of the Company as on 31st March 2023 was debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs under the Companies Act, 2013.

Sl. No.	Name of Director	DIN	Date of appointment in the Company
1	Sudhamoy Khasnobis	00025497	05.08.2017
2	Shishir Kumar Bajoria	00084004	07.09.2007
3	Duraiswamy Gunaseela Rajan	00303060	05.08.2017
4	Gaurav Swarup	00374298	12.10.2022
5	Kamal Sarda	03151258	01.04.2012
6	Debal Kumar Banerji	03529129	05.08.2017
7	James Leacock McIntosh	09287829	01.09.2021
8	Anita Gupta	09753188	12.10.2022
9	Rajesh Agarwal	09786410	12.11.2022

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

**S. M. Gupta**  
*Proprietor*

**S. M. Gupta & Co.**  
*Company Secretaries*

Firm Registration No. : S1993WB816800

Membership No. FCS - 896

CP No. : 2053

Peer Review No. : 2464/2022

UDIN : F000896E000267558

Kolkata  
8th May 2023

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

### Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

#### THE MEMBERS OF

#### IFGL REFRACTORIES LIMITED

1. The Corporate Governance Report prepared by IFGL Refractories Limited (hereinafter the "Company"), contains details as specified in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended 31st March 2023 as required by the Company for annual submission to the Stock Exchange.

#### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management, along with the Board of Directors is also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations issued by the Securities and Exchange Board of India.

#### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include :
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to Executive and Non-Executive Directors has been met throughout the reporting period;
  - iii. With regard to at least one Independent Woman Director on the Board of Directors of the Company as required by Regulation 17(1)(a) of the Listing Regulations, obtained and read the Register of Directors as for the year 31st March 2023, and basis our discussion with the management, we understand that on 28th May 2022, Independent Woman Director till that date had resigned and another Independent Woman Director was appointed on the Board of Director on 12th October 2022 to fill up that vacancy;
  - iv. Obtained and read the minutes of the following Committee meetings/other meetings held between 1st April 2022 to 31st March 2023 :
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);

## Annexure 'B' to Directors' Report – Report on Corporate Governance (Contd.)

- (d) Nomination and Remuneration Committee;
  - (e) Stakeholders Relationship Committee;
  - (f) Risk Management Committee;
- v. Obtained necessary declarations from the Directors of the Company.
  - vi. Obtained and read the Policy adopted by the Company for Related Party Transactions.
  - vii. Obtained the schedule of Related Party Transactions during the year and balances at the year end. Obtained and read the minutes of the Audit Committee meeting where in such related party transactions have been pre-approved prior by the Audit Committee, as applicable.
  - viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management including for delay in appointment of Independent Woman Director.
8. The above mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Emphasis of Matter

9. We draw attention to Note 2 to the Corporate Governance Report, which describe that the Board of Directors of the Company did not comprise of at least one Woman Director from 28th August 2022 to 11th October 2022 as required under Regulation 17(1)(a) of the Listing Regulations. As further disclosed in the said Note, pursuant to payment of necessary fine, the Company believes that this non-compliance has now been remediated.

Our opinion is not modified in respect of this matter.

### Opinion

10. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the Opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended 31st March 2023, referred to in paragraph 4 above.

### Other matters and Restriction on Use

11. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
12. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

*Partner*

Membership No. 055596

UDIN : 23055596BGYFSI9593

Kolkata

27th May 2023

## Annexure 'C' to Directors' Report

### Information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for financial year ended on 31st March 2023

#### A. Conservation of Energy

##### **Steps taken or impact on conservation of energy, steps taken for utilizing alternate sources of energy and capital investment on energy conservation equipments.**

During FY 2022-23, the Company took several steps to conserve energy. Old machines, equipments, devices, fittings etc were replaced with the efficient ones. Pursuant to the Energy Management System introduced, high energy consumption areas were identified and following important steps for minimizing energy consumption were taken :

- Preventive maintenance stepped up;
- Introduced use of alternate energy – steps taken for installation of roof top solar panels in Visakhapatnam manufacturing facility at a total cost of about ₹ 70 (seventy) lakhs to generate approximately 2,00,000 units of electricity per annum;
- Installed LED lights in place of conventional lights
- Installed PLC controlled equipment to avoid wasteful running
- Installed energy efficient motors with variable frequency drives
- Improved power factor by increasing capacitor banks
- Installed energy efficient dehumidifier units
- Installed standard star rated inverter AC
- Installed dust catchers
- Replaced SFU panels with MCCB panels
- Installed multi-function Communicable Smart Energy Meters
- Installed star rated transformers with online tap change

Aforesaid measures benefited all three manufacturing facilities of your Company. Your Company's endeavor continues to conserve energy and utilize alternate energy sources. Recently, the Company has planned to introduce Natural Gas in its Kalunga, near Rourkela, manufacturing facility. Expenditure incurred for the aforesaid measures were not captured separately and/or charged off and/or capitalized, as the case may be.

#### B. Technology Absorption

##### **Efforts made towards technology absorption, benefits derived there from, details of imported technologies and expenditure incurred on Research & Development (R & D).**

During FY 2022-23, your Company did not import any technology. All three manufacturing facilities of your Company have in house facility for quality control. Technology upgradation is however another priority of your Company and in this regard, new state-of-art technology centre is in the process of being set up at Company's Kalunga (near Rourkela) facility, which is likely to be operational during current financial year. Such technology centre will bring efficiencies both directly and indirectly and also provide support amongst others for development of new product, improvement of product quality and performance, upgradation, substitution and identification of raw materials, optimum utilization of capacities, recycling of process and product wastes, look into customer's complaints and provide solutions thereon and other important areas relating to production, quality control, application etc. All these will help enhance cost reduction, production efficiency, quality and in other associated areas and thus strengthen competitiveness. Going forward, R & D activity will be integral part of overall activities of the Company. Company's US subsidiary, El Ceramics LLC and German subsidiary, Hoffman Ceramic GmbH are also planning to set up their own research centres. During FY 2022-23 the Company did not capture separately expenditure incurred on R & D activities.

## Annexure 'C' to Directors' Report (Contd.)

### C. Foreign Exchange Earnings and Outgo

Total Foreign Exchange used and earned :

(₹ in lakhs)

		<b>31st March 2023</b>	31st March 2022
1.	Foreign Exchange Outgo		
	i) CIF Value of Imports of Raw Materials, Stores and Spares, Trading Items and Capital Goods	23,956.82	21,689.52
	ii) Others	2,449.46	2,973.47
2.	Foreign Exchange Earnings		
	FOB Value of Exports	34,850.24	38,491.03

## Annexure 'D' to Directors' Report

## Statement (Form AOC 1) Containing Salient Features of Financial Statements of Subsidiaries as at 31st March 2023

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014] (₹ in lakhs)

Subsidiary's Name and Currency	Date of becoming/ acquisition of Subsidiary	Financial Year ending on	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Dividend Received	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Dividend Paid	% of Share Holding
<b>Subsidiary</b>														
IFGL Worldwide Holdings Limited, Isle of Man, (GBP)	24th August 2005	31st March	6,459.86	7,705.60	8,153.75	12.71	-	-	786.28	430.04	-	430.04	-	100
<b>Step Down Subsidiaries</b>														
EI Ceramics LLC, USA (USD)	10th September 2010	31st March	1,147.89	7,940.79	12,314.78	3,226.10	-	18,719.20	-	1,151.20	244.03	907.17	1,043.51	100
Goricon Metallurgical Services Ltd, UK (GBP)	15th December 2006	31st March	0.10	(0.08)	0.02	-	-	-	-	(0.03)	-	(0.03)	-	100
Hofmann Ceramic CZ s.r.o. Czech Republic (Euro)*	4th July 2008	31st March	61.66	(879.95)	179.23	997.52	-	631.05	-	(57.51)	0.01	(57.52)	-	98.78
Hofmann Ceramic GmbH, Germany (Euro)	4th July 2008	31st March	44.62	4,688.05	6,514.07	1,914.81	-	8,519.78	-	652.26	0.13	652.13	-	100
IFGL GmbH, Germany (Euro)	15th July 2008	31st March	5,571.07	(17.99)	47.82	61.30	-	-	-	(7.86)	-	(7.86)	-	100
IFGL Inc., USA (USD)	29th June 2010	31st March	3,281.61	5,804.01	11.65	-	-	-	1,043.51	1,043.50	-	1,043.50	687.97	100
IFGL Monocon Holdings Limited, UK (GBP)	19th August 2005	31st March	5,086.50	-	-	25.43	-	-	786.28	786.28	-	786.28	786.28	100
Mono Ceramics Inc, USA (GBP)	10th September 2005	31st March	2,651.14	4,561.18	5,538.16	1,071.62	-	9,197.48	687.97	615.31	-	615.31	786.28	100
Monocon International Refractories Limited, UK (GBP)	10th September 2005	31st March	0.10	13,001.31	12,628.32	12,006.94	-	16,748.38	786.28	992.81	6.43	986.38	786.28	100
Monocon Overseas Limited, UK (GBP)	10th September 2005	31st March	1.02	8,163.88	4.73	740.48	-	-	786.28	786.03	-	786.03	786.28	100
Monotec Refratorios Ltda, Brazil (GBP)*	10th September 2005	31st December	263.51	(263.51)	-	-	-	-	-	-	-	-	-	95
Sheffield Refractories Limited, UK (GBP)	24th February 2023	31st March	1.02	2,976.97	8,775.31	5,797.32	-	2,022.65	-	73.92	-	73.92	-	100
Tianjin Monocon Aluminous Refractories Company Limited, PRC (GBP)*	8th August 2006	31st December	527.91	1,205.85	1,937.84	204.08	-	2,674.58	-	243.99	10.48	233.50	-	100
Tianjin Monocon Refractories Company Limited, PRC (GBP)*	10th September 2005	31st December	142.42	794.52	1,430.28	493.34	-	5,567.41	-	206.21	7.92	198.29	-	100

\*Reporting currencies of these subsidiaries have been converted in Euro/GBP for convenience

## NOTES:

- Balance Sheet figures have been converted into Indian Rupees by applying year end Foreign Exchange Closing Rate of ₹ 89.24 equivalent to 1 Euro, ₹ 101.73 equivalent to 1 GBP and ₹ 82.04 equivalent to 1 USD. Profit and Loss figure have however been converted into Indian Rupees by using Average Exchange Rate of ₹ 83.95 equivalent to 1 Euro, ₹ 97.22 equivalent to 1 GBP and ₹ 80.27 equivalent to 1 USD.
- Investment exclude investments made in Subsidiary Companies.
- The Company neither had nor have Associate/Joint Ventures.
- Reporting period of Subsidiaries is mentioned at Note 2.2 on Consolidated Financial Statements.

Kolkata 27th May 2023	<b>Mansi Damani</b> Company Secretary (FCS - 6769)	<b>Kamal Sarda</b> Director and Chief Executive Officer (DIN - 03151258)	<b>Amit Agarwal</b> Chief Financial Officer	<b>James L McIntosh</b> Managing Director (DIN - 09287829)	<b>S K Bajoria</b> Chairman (DIN - 00084004)
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## Annexure 'E' to Directors' Report

### Annual Report on Corporate Social Responsibility (CSR) activities forming part of the Board's Report for FY 2022-23

1.	Brief outline on CSR Policy of the Company	Your Company is pursuing CSR activities in accordance with Schedule VII of the Companies Act, 2013 with focus on areas neighboring its manufacturing facilities through Implementing Agency, IFGL Refractories Welfare Trust, registered with the Central Government under Registration Number CSR00000301 and also registered under Section 12A of the Income Tax Act, 1961 (Act). CSR activities amongst others are focused on health, hygiene, sanitation, education, vocational training, environment, sports, empowering unprivileged class etc.		
2.	Composition of CSR Committee as on 31st March 2023*			
Sl. No.	Name of Director, Designation	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i)	D K Banerji, Chairman**	Non-Executive Independent	1	1
ii)	S K Bajoria, Member	Executive Chairman	1	1
iii)	S Khasnobis, Member***	Non-Executive Independent	1	1
3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company	<b>Composition :</b>		<a href="https://ifglgroup.com/wp-content/uploads/2023/02/Composition-of-various-Committees-of-the-Board-of-Directors.pdf">https://ifglgroup.com/wp-content/uploads/2023/02/Composition-of-various-Committees-of-the-Board-of-Directors.pdf</a>
		<b>CSR Policy :</b>		<a href="https://ifglgroup.com/investor/policy/">https://ifglgroup.com/investor/policy/</a>
		<b>CSR Projects :</b>		<a href="https://ifglgroup.com/company/social-responsibility">https://ifglgroup.com/company/social-responsibility</a>
4.	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule(3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014	Not applicable		
5.	Details of the amount available for set off in pursuance of sub-rule (3) of Rule (7) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.	Nil		
Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ )	Amount required to be set-off for the financial year, if any (in ₹ )	
i)	-	-	-	
ii)	-	-	-	
iii)	-	-	-	
	<b>Total</b>	-	-	
6.	Average Net Profit of the Company as per Section 135(5)	₹ 7,475.56 lakhs		
7.	a) Two percent of average Net Profit of the Company as per Section 135(5)	₹ 149.51 lakhs		
	b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil		
	c) Amount required to be set off for the financial year, if any.	Nil		
	d) Total CSR obligation for the financial year(7a+7b-7c)	₹ 149.51 lakhs		

\* Prof B Ray and Mr K S B Sanyal resigned as Independent Director of the Company on and from 28th May 2022 and consequently effective that date both of them ceased to be members thereof. Mr K S B Sanyal passed away on 13th February 2023.

\*\* Mr D K Banerji was appointed as Chairman of the Committee in place of Prof B Ray on and from 20th June 2022.

\*\*\* Appointed as member of the Committee on and from 20th June 2022.

**Annexure 'E' to Directors' Report (Contd.)**

8. a) CSR amount spent or unspent for the financial year :

Total Amount spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
		91.94			
89.87*	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any Fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (₹ in lakhs)	Date of transfer	Name of the Fund	Amount	Date of transfer
	91.94	28.04.2023		Nil	

b) Details of CSR amount spent against ongoing projects for the financial year :

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No.)	Location of the Project		Project duration	Amount allocated for the Project (₹ In lakhs)	Amount spent in the current financial year (₹ In lakhs)	Amount transferred to Unspent CSR Account for the Project as per Section 135(6) (₹ In lakhs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration Number
1.	Kalunga Shilpanchala Bidyalaya	Education	Yes	Odisha	Sundergarh	3	500	77.20*	Nil	No	IFGL Refractories Welfare Trust	CSR00000301
	<b>Total</b>							<b>77.20</b>				

c) Details of CSR amount spent against other than ongoing projects for the financial year :

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the Project (₹ In lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR Registration Number
1.	IDC Sulabh Sauchalaya	Hygiene	Yes	Odisha	Sundergarh	1.29	No	IFGL Refractories Welfare Trust	CSR00000301
2.	Kandla Special Economic Zone School	Education	Yes	Gujarat	Gandhinagar	3.02	No	IFGL Refractories Welfare Trust	CSR00000301
3.	Jaidip Mukherjee Tennis Academy	Sports	Yes	West Bengal	Kolkata	4.10	No	IFGL Refractories Welfare Trust	CSR00000301
4.	Miscellaneous					1.68	No	IFGL Refractories Welfare Trust	CSR00000301
	<b>Total</b>					<b>10.09</b>			

\*Includes ₹ 57.57 lakhs from CSR amount of FY 2022-23 spent by the Company.

## Annexure 'E' to Directors' Report (Contd.)

d)	Amount spent in Administrative Overheads	₹ 2.58 lakhs
e)	Amount spent on Impact Assessment, if applicable	Nil
f)	Total amount spent for the Financial Year(8b+8c+8d+8e)	₹ 89.87 lakhs*
g)	Excess amount for set off, if any	-

Sl. No.	Particulars	Amount (₹ in lakhs)
i)	Two percent of average Net Profit of the Company as per Section 135(5)	149.51
ii)	Total amount spent for the financial year	89.87*
iii)	Excess amount spent for the financial year [(ii)-(i)]	-
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (₹ in lakhs)	Amount spent in the reporting Financial Year (₹ in lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Year (₹ in lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	13.15*	13.15	-	-	-	-
2.	2021-22	63.10	63.10	-	-	-	-
3.	-	-	-	-	-	-	-
	<b>Total</b>	<b>76.25</b>	<b>76.25</b>	-	-	-	-

\*Out of ₹ 40.66 lakhs paid to Implementing Agency named above during FY 2020-21, ₹ 27.51 lakhs was spent during FY 2021-22 and as on 01.04.22 ₹ 13.15 lakhs was unspent.

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (₹ in lakhs)	Amount spent on the project in the reporting FY (₹ in lakhs)	Cumulative amount spent at the end of reporting FY (₹ in lakhs)	Status of the project-completed/ongoing
1.	FY31.03.2021_1	Priyadarshini UP School	2020-21	3 Years	25.00	5.23	14.39	Ongoing
2.	FY31.03.2021_2	Kalunga Shilpanchala Bidyalaya	2020-21	3 Years	500.00	64.26**	150.98	Ongoing
3.	FY31.03.2021_3	Free Homeo-Pathic Clinic	2020-21	3 Years	15.00	2.41	5.83	Ongoing
4.	FY31.03.2021_4	Free Allopathy Clinic	2020-21	3 Years	10.00	4.35	12.40	Ongoing
	<b>Total</b>				<b>550.00</b>	<b>76.25</b>	<b>183.60</b>	

\* Includes ₹ 57.57 lakhs from CSR amount of FY 2022-23 spent by the Company.

\*\* Includes ₹ 63.10 lakhs spent from unspent CSR account FY 2021-22.

**Annexure 'E' to Directors' Report (Contd.)**

10.	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year <b>(asset-wise details)</b>	
	a) Date of creation or acquisition of the Capital Asset(s)	15th March 2023
	b) Amount of CSR spent for creation or acquisition of Capital Asset	₹ 127.89 lakhs*
	c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	Kalunga Shilpanchala Bidyalaya, Kalunga Industrial Estate, PO: Kalunga 770031, Dist. Sundergarh, Odisha
	d) Provide details of the Capital Asset(s) created or acquired (including complete address and location of the Capital Asset)	IDCO Plot No. 72/B/4, Rev Plot No.135(P), Rev Khata No. 6, Rev. Village : Sanabrahmanitaranga admeasuring more or less 1.18 Acre in Kalunga Industrial Estate, P.O. Kalunga 770031, Dist. Sundergarh, Odisha
11.	Specify the reason(s) if the Company has failed to spend two percent of the average Net Profit as per Section 135(5)	Unspent amount has been earmarked for 'Ongoing Projects'. Approvals for full fledged implementation whereof are however yet to be received.

\* Includes CSR amount spent for FY 2022-23 of ₹ 57.57 lakhs and ₹ 63.10 lakhs spent from unspent CSR account FY 2021-22.

Kolkata  
27th May 2023

**S K Bajoria**  
Company Chariman and  
Member of CSR Committee  
(DIN - 00084004)

**D K Banerji**  
Chairman of CSR Committee  
(DIN - 03529129)

## Annexure 'F' to Directors' Report

Information as per Section 197(12) of the Companies Act, 2013 and read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules), forming part of the Directors' Report for the year ended 31st March 2023

### DETAIL OF TOP TEN EMPLOYEES INCLUDING CONTRACTUAL AND WHOLE TIME DIRECTORS ON THE BASIS OF REMUNERATION

#### a) Employed for whole of FY 2022-23

Sl. No.	Name	Designation	Remuneration (₹ in lakhs)	Qualification	Age (in years)	Experience (in years)	Appointment Date	Previous Employment (if any)	% of Equity Shares of the Company held as on 31st March 2023 @
1.	S K Bajoria*	Chairman	267.59	B.Com (Hons)	66	47	05.08.2017	Erstwhile IFGL Refractories Ltd	5.11%
2.	J.L McIntosh*	Managing Director	206.85	Master Degree in Technological Marketing, Post Graduate Diploma in Marketing, HNC in Mechanical and Process Engineering	60	34	01.09.2021	EI Ceramics LLC, USA	-
3.	K Sarda*	Director and Chief Executive Officer	157.97	B.Com (Hons), LLB, FCA	60	35	06.02.2012	Shristi Infrastructure Development Corporation Ltd.	0.01%
4.	R Agarwal*	**Director – General Counsel	145.57	B.Sc (Bio), FCS	60	39	05.08.2017	Erstwhile IFGL Refractories Ltd	0.01%
5.	S K Shrivastava	President Works	100.36	M. Sc (Chemistry)	55	28	05.08.2017	Erstwhile IFGL Refractories Ltd	-
6.	S Sengupta	President – Marketing	97.21	B.Sc. Tech (Ceramic Engineering), MBA	55	31	05.08.2017	Erstwhile IFGL Refractories Ltd	-
7.	S Mattoo	Asst. VP – Marketing	83.70	M.E.	57	34	05.08.2017	Erstwhile IFGL Refractories Ltd	-
8.	M Chatterjee	Asst. VP – Marketing	82.80	M. Tech	53	27	05.08.2017	Erstwhile IFGL Refractories Ltd	-
9.	S Chandra	Asst. VP – Marketing	75.03	B. Sc (Chemistry), B.Tech (Chemical Technology)	43	18	05.08.2017	Erstwhile IFGL Refractories Ltd	0.00%
10.	A K Roy	Vice President (Production)	73.55	B.Sc (Chemistry)	48	27	05.08.2019	Orient Refractories Ltd.	-

@ Represents shares held by self, spouse and dependent children.

\* Key Managerial Personnel (KMP) within meaning of Section 2(51) of the Act.

\*\*Appointed as Director - General Counsel on and from 12.11.22 . Prior thereto he held the office of Company Secretary of the Company.

## Annexure 'F' to Directors' Report (Contd.)

### b) Employed for part of FY 2022-23

Sl. No.	Name	Designation	Remuneration (₹ in lakhs)	Qualification	Age (in years)	Experience (in years)	Appointment Date	Previous Employment (if any)	% of Equity Shares of the Company held represents direct individual shareholding only
1.	A Shanmugam	Chief Operating Officer	12.47	Post Graduate M. Tech (Ceramics Technology), M.Sc (Materials Science)	56	30	23.02.2023	Dalmia OCL Refractories Ltd	-

#### Notes:

- 1) Nature of employment is contractual with usual terms and conditions as per Company's Rules.
  - 2) Remuneration includes Salary, Commission, Allowances, wherever applicable Company's contribution to Retirement Funds etc. and monetary value of Perquisites all evaluated as per extant provisions of Income Tax Act, 1961 and Rules framed thereunder excluding perquisite on account of Motor Car.
  - 3) KMP's are not related to each other or other employees.
  - 4) 5(2)(iii) of Rule is not applicable to any of employees mentioned above.
- i) Ratio of the remuneration of each Director/Key Managerial Personnel to the Median Remuneration of all the employees of the Company for the FY 2022-23 :**

Median remuneration of all the employees of the Company for the FY 2022-23	₹ 2,64,533
Percentage increase/(decrease) in the median remuneration of employees as compared to last FY	11.23%
Number of permanent employees on rolls of the Company as on 31st March 2023	948
Average percentage increase in the salaries of employees other than the managerial personnel and its comparison with the percentage increase in salary of managerial remuneration	Average percentage increase in total salary of the Company's employees other than the managerial personnel i.e. KMP's is 12.86%. The percentage increase in remuneration of managerial personnel for FY 2022-23 is approximately (8.68)%

Name of Director/KMP	Ratio of remuneration to median remuneration of all employees	Percentage increase in remuneration
<b>Non-Executive Directors *</b>	-	-
Y Yamaguchi (resigned on and from 27.08.22)	-	-
T Tsuzuki (resigned on and from 27.08.22)	-	-
<b>Independent Directors *</b>		
D K Banerji	-	-
A Gupta (appointed w.e.f 12.10.22)	-	-
S Khasnobis	-	-
D G Rajan	-	-
Prof B Ray (resigned on and from 28.05.22)	-	-
K S B Sanyal (resigned on and from 28.05.22)	-	-
G Swarup (appointed w.e.f 12.10.22)	-	-

## Annexure 'F' to Directors' Report (Contd.)

Name of Director/KMP	Ratio of remuneration to median remuneration of all employees	Percentage increase in remuneration
<b>Key Managerial Personnel</b>		
J L McIntosh	78.19	@
S K Bajoria	101.16	(5.35%)
R Agarwal **	55.03	6.49%
K Sarda	59.71	23.26%
A Agarwal	13.49	@
M Damani***	10.73	@@

\* Only Sitting Fees paid.

\*\* Appointed as Director - General Counsel on and from 12th November 2022 . Prior thereto he held the office of Company Secretary of the Company.

\*\*\* Appointed as Company Secretary w.e.f 12th November 2022.

@ KMP for part of FY 2021-22

@@KMP for part of FY 2022-23

### Notes :

1. The Ratio of remuneration to median remuneration is based on remuneration paid for 1st April 2022 to 31st March 2023.
2. Percentage increase in remuneration indicates annual increase in total remuneration.
3. Remuneration paid is in accordance with Company's Remuneration Policy.

## Annexure 'G' to Directors' Report

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

#### For Financial Year ended on 31st March 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

#### TO THE MEMBERS, IFGL Refractories Limited

CIN : L51909OR2007PLC027954

Regd Office : Sector 'B', Kalunga Industrial Estate  
P.O. Kalunga 770031, Dist. Sundergarh, Odisha

We have conducted Secretarial Audit of compliance of applicable statutory provisions and adherence to good corporate practices by IFGL REFRACTORIES LIMITED (the Company). Secretarial Audit has been conducted in accordance with Guidance Note issued by the Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980) read with Company Secretaries Auditing Standards (CSAS) and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our Opinion thereon.

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's Management is adequate and appropriate for us to provide a basis for our opinion.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and read with the Statutory Auditors' Report on Financial Statements and Compliance of the conditions of Corporate Governance and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, physically and by way of electronic mode, we hereby report that in our opinion and to the best of our information, knowledge and belief and according to the explanations given to us, the Company has, during the audit period covering the financial year ended on 31st March 2023 generally complied with applicable statutory provisions listed hereunder to the extent applicable and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for financial year ended on 31st March 2023 according to the applicable provisions 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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB) to the extent applicable to the Company.
5. Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act) to the extent applicable to the Company during the year :
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 – The Company did not issue securities during the year. Hence not attracted.
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021- Not Applicable during the year under review.
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- The Company did not issue securities during the year. Hence not attracted.



## Annexure 'G' to Directors' Report (Contd.)

- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - The Company has duly appointed a SEBI authorized Category I Registrar and Share Transfer Agent as required under Law.
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- No Delisting was done during the year under review.
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - No buy-back was done during the year under review.
6. The following other laws specifically applicable to the Company :
- a) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
  - b) The Contract Labour (Regulation and Abolition) Act, 1970
  - c) Explosives Act, 1884
  - d) The Environment (Protection) Act, 1986
  - e) The Water (Prevention and Control of Pollution) Act, 1974
7. We have also examined compliance with applicable clauses of the following :
- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - ii) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (hereinafter referred to as SEBI LODR, 2015);
8. We further report that during the year under review :
- i) BSE and NSE had imposed fine of ₹ 2,00,600 each including GST on account of alleged violation of Regulation 17 of SEBI LODR, 2015 for delay in appointment of NED including Woman Director by the company which was paid by the Company to both BSE and NSE on 22.11.2022.  
Similarly both the Stock Exchanges again imposed a fine of ₹ 64,900 each including GST on account of alleged violation of Regulation 17 of SEBI LODR, 2015 for delay in appointment of NED including Woman Director by the company which was paid by the Company on 23.02.2023 and 25.02.2023 to NSE and BSE respectively.
  - ii) SEBI passed an Adjudication Order on 18th October 2022 and thereby levied on the Company a penalty of ₹ 500,000 for alleged violation of provisions of SEBI Circular No. CIR/CFD/CMD1/114/2019 dated 18.10.19 along with Clause 6C(i) of the said Circular read with Regulation 4(1)(e) of the SEBI LODR, 2015 in July 2020. The Company filed an appeal against the aforesaid order dated 18.10.22 of SEBI before Securities Appellate Tribunal (SAT) which has by passing an order on 6th January 2023 quashed the order passed by SEBI on payment of cost of ₹ 50,000 by SEBI. Thereafter, SEBI has filed an appeal against the said order of SAT before the Hon'ble Supreme Court of India and the Hon'ble Court vide order dated 07/02/2023 was pleased to issue notice and tag the matter with C.A. No. 4741/2021. The matter is now sub-judice.
  - iii) Company's step down and wholly owned subsidiary in UK, Monocon International Refractories Limited made acquisition of 100% shareholding of Sheffield Refractories Limited, UK on 24.02.2023.
9. We further report that as far as we have been able to ascertain –
- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - b) Adequate notice was given to all Directors of schedule of the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
  - c) Majority decision was carried through while the dissenting members' views are captured and recorded as part of the minutes.
  - d) 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.
  - e) As informed to us, during the audit period the Company has had no other events except those already informed to the Stock Exchanges as required under the Listing Regulations.

## Annexure 'G' to Directors' Report (Contd.)

10. This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.
11. It is stated that the compliance of all applicable provisions of the Companies Act, 2013 and other laws is the responsibility of the Management. We have relied on the representation made by the Company and its Officers for systems and mechanism set-up by the Company for compliances under applicable laws. Our examination, on a test-check basis, was limited to procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted its affairs. We further state that this is neither an audit nor an expression of opinion on the financial activities/statements of the Company. Moreover, we have not covered any matter related to any other law which may be applicable to the Company except the aforementioned corporate laws of the Union of India.
12. In this Certificate, we have not taken into consideration the events which are already in public domain and also not those events which have not come to our knowledge while conducting this audit.

**S. M. Gupta**

Proprietor

**S. M. GUPTA & CO.**

Company Secretaries

Firm Registration No. : S1993WB816800

Membership No. FCS No. 896

CP No. : 2053

Peer Review No. : 2464/2022

UDIN : F000896E000395433

Kolkata

27th May 2023

Encl: Annexure A forming an integral part of this Report

### Annexure A

**TO THE MEMBERS,  
IFGL Refractories Limited**

(CIN : L51909OR2007PLC027954)

Sector 'B', Kalunga Industrial Estate

P.O. Kalunga 770031, Dist. Sundergarh, Odisha

Our Secretarial Audit Report for financial year ended 31st March 2023 of even date is to be read along with this letter.

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

**S. M. Gupta**

Proprietor

**S. M. GUPTA & CO.**

Company Secretaries

Firm Registration No. : S1993WB816800

Membership No. FCS No. 896

CP No. : 2053

Peer Review No. : 2464/2022

UDIN : F000896E000395433

Kolkata

27th May 2023

# Independent Auditor's Report

## TO THE MEMBERS OF IFGL REFRACTORIES LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone Financial Statements of IFGL Refractories Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit including Other Comprehensive Income, its Cash Flows and the Changes in Equity for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

We draw attention to :

- a) Note 38 to the Standalone Financial Statements, relating to amalgamation of the erstwhile IFGL Refractories Limited with the Company (the amalgamated entity was thereafter renamed as IFGL Refractories Limited) with effect from 1st April 2016 following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide its Order dated 3rd August 2017, under the provisions of Sections 230 and 232 of the Companies Act, 2013 (the "Scheme"). Pursuant to the Scheme, the aforesaid business combination was recognized under the 'Purchase Method' as defined under Accounting Standard (AS) 14, Accounting for Amalgamations and Goodwill arising on such amalgamation aggregating ₹ 26,699.46 lakhs had been recognized. Based on Management's assessment, such Goodwill is being amortized over a period of ten years with a charge of ₹ 2,669.95 lakhs per year. As per Indian Accounting Standard (Ind AS) 103, Business Combinations, the aforesaid amalgamation had to be recognized under 'Pooling of Interest Method' since these were entities under common control.
- b) Note 33(b) to the Standalone Financial Statements regarding Company's position to continue to determine its Income Tax obligations based on provisions of the Income Tax Act, 1961 that were applicable prior to the introduction of the 'Explanation' to Section 10AA(1) of the Income Tax Act, 1961 with effect from Assessment Years beginning 1st April 2018. The Company has filed a writ petition which has been admitted by the Hon'ble High Court at Calcutta. Pending decision by the Hon'ble High Court, uncertainty exists as regards realisability of resultant recognized Deferred Tax Assets of ₹ 1,203.59 lakhs.

Our opinion is not modified in respect of above matters.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the Financial Year ended 31st March 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements Section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

## Independent Auditor's Report (Contd.)

Key Audit Matters	How our Audit addressed the Key Audit Matter
<b>Revenue Recognition</b> (as described in Note 2.12 and 24 of the Standalone Financial Statements)	
<p>Revenue is recognized when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. For the year ended 31st March 2023, the Company's Statement of Profit and Loss included Revenues from Operations of ₹ 83,336.57 lakhs. The variety of contractual terms, including the timing of control transfer and delivery specifications, create complexity and judgement in determining timing of revenue recognition.</p> <p>We have considered this as a key audit matter on account of judgement involved in determining the timing of revenue of recognition.</p>	<p>Our audit procedures included the following :</p> <ol style="list-style-type: none"> <li>Evaluated the Company's revenue recognition policy to ensure compliance with the requirements of Ind AS 115 'Revenue from Contracts with Customers'.</li> <li>Obtained an understanding of the Revenue and assessed the design and tested the operating effectiveness of internal controls related to timing of revenue recognition.</li> <li>Tested on sample basis the sales transactions including adjustments to sales price made pre and post year end and tested their underlying documents to assess that revenue is recognized in the proper period and in accordance with the Company's revenue recognition policy.</li> <li>Assessed the adequacy of relevant disclosures made in respect of revenue in the Standalone Ind AS Financial Statements.</li> </ol>

### Other Information

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Directors' cum Management Discussion and Analysis Report, but does not include the Standalone Financial Statements and our Auditor's Report thereon.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information and, in doing so, consider whether such Other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the Assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal Financial Controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's Financial Reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

## Independent Auditor's Report (Contd.)

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended 31st March 2023 and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure 1**" a statement on the matters specified in paragraphs 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, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

## Independent Auditor's Report (Contd.)

- (e) On the basis of the written representations received from the Directors as on 31st March 2023 taken on record by the Board of Directors, none of the Directors' is disqualified as on 31st March 2023 from being appointed as a Director in terms of Section 164(2) of the Act;
- (f) With respect to the adequacy of the Internal Financial Controls with reference to these Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended 31st March 2023 has been paid/provided by the Company to its Directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 33 to the Standalone Financial Statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 43(iv) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from Borrowed Funds or Share Premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including Foreign Entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 43(v) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations provided by Management under sub-clause (a) and (b) contain any material misstatement.
  - v. The Final Dividend for the previous year declared and paid by the Company during the year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.  
  
As disclosed in Note 16.1 to the Standalone Financial Statements for the year, the Board of Directors of the Company have proposed Final Dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of Dividend.
  - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. 1st April 2023, reporting under this clause is not applicable.

Kolkata  
27th May 2023

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number : 301003E/E300005  
  
per **Bhaswar Sarkar**  
Partner  
Membership Number : 055596  
UDIN : 23055596BGYFSG4821

## Independent Auditor's Report (Contd.)

### "ANNEXURE 1" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

#### Re : IFGL Refractories Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that :

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangibles Assets.
- (b) The Company has a program of physical verification of Property, Plant and Equipment to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain categories of Property, Plant and Equipment, were physically verified by the Management during the year. No material discrepancies were noticed on such verification.
- (c) The title deeds of Immovable Properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except seven (7) Immovable Properties including properties where the Company is the lessee and the lease deeds are yet to be executed in favour of the Company (details of which are set out in Note 4.2 to the Standalone Financial Statements) as indicated in the below mentioned cases :

Description of Property	Gross Carrying Value (₹ in lakhs)	Net Carrying Value (₹ in lakhs)	Held in name of	Whether Promoter, Director or their Relative or Employee	Period Held from	Reason for not being held in the name of Company
Leasehold Land #	59.45	53.80	Indo Flogates Limited	No	28th June 1989	Lease deeds are in names of erstwhile Companies that were merged with the Company under relevant provisions of the Companies Act, 1956/2013 in terms of approval of the Honorable High Courts of respective States and Honorable National Company Law Tribunal, Kolkata Bench
Leasehold Land #	44.81	40.56	Indo Flogates Limited	No	16th August 1988	
Leasehold Land #	42.22	38.21	Indo Flogates Limited	No	3rd March 1987	
Leasehold Land #	75.73	68.53	Indo Flogates Limited	No	30th January 1989	
Leasehold Land #	44.27	40.06	Indo Flogates Limited	No	3rd March 1987	
Leasehold Land	143.85	130.19	Indo Flogates Limited	No	1st February 1992	
Leasehold Land	11.77	10.65	Indo Flogates Limited	No	20th August 1992	

# The Immovable Properties as stated above is pledged with the Bank and their lease deed is not available with the Company. The same has been independently confirmed by the Bank.

- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or Intangible Assets during the year.
- (e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Inventory has been physically verified by the Management during the year except for Inventories lying with Third Parties. In our opinion, the frequency of verification by the Management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at 31st March 2023 and no Discrepancies of 10% or more in aggregate for each class of Inventory were noticed from such confirmations. Discrepancies of 10% or more in aggregate for each class of Inventory were not noticed on such physical verification of Inventories.
- (b) As disclosed in Note 20.2 to these Financial Statements, the Company had sanctioned Working Capital Limits in excess of Rupees five crores in aggregate from Banks during the year on the basis of Security of Current Assets of the Company.

## Independent Auditor's Report (Contd.)

Based on the records examined by us in the normal course of audit of the Financial Statements, the revised quarterly returns/ Statements filed by the Company with such Banks are in agreement with the Unaudited Books of Account of the Company.

The Company does not have sanctioned Working Capital Limits in excess of Rupees five crores in aggregate from Financial Institutions during the year on the basis of Security of Current Assets of the Company.

- (iii) (a) During the year the Company has not provided Loans, Advances in the nature of Loans, stood Guarantee or provided Security to Companies, Firms, Limited Liability Partnerships or any other party. Accordingly, the requirement to report on Clause 3(iii) (a) of the Order is not applicable to the Company and hence not commented upon.
- (b) During the year, the Company has not provided Guarantees, provided Security and granted Loans and Advances in the nature of Loans to Companies, Firms, Limited Liability Partnerships or any other parties.
- Investments made during the year and terms and conditions of those Investments are not prejudicial to the Company's interest.
- (c), (d) and (e) The Company has not granted loans and advances in the nature of Loans to Companies, Firms, Limited Liability Partnerships or any other party. Accordingly, the requirement to report on clause 3(iii)(c), (d) and (e) of the Order is not applicable to the Company and hence not commented upon.
- (f) The Company has not granted any Loans or Advances in the nature of Loans, either repayable on demand or without specifying any terms or period of repayment to Companies, Firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on Clause 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.
- (iv) There are no Loans given, Investments made, Guarantees and Securities provided to which provisions of Section 185 of the Companies Act, 2013 are applicable and hence not commented upon. In respect of Investments made, the Company has complied with provisions of Sections 186 of the Companies Act, 2013. There are no Loans, Guarantees and Securities given to which provisions of Section 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has neither accepted any Deposits from the Public nor accepted any amounts which are deemed to be Deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on Clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Section 148(1) of the Companies Act, 2013, related to the manufacture of Company's products and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Duty of Custom, Cess and other material statutory dues applicable to it.

During the year, the Company did not have any dues towards Sales Tax, Service Tax, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) The dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues have not been deposited on account of any dispute, are as follows :

Name of the Statute	Nature of Dues	Amount (₹ in lakhs) *	Period to which the amount relates	Forum where dispute is pending
Central Sales Tax, 1956	Sales Tax	1.14	1995-96	Sales Tax Tribunal
		1.57	1997-98, 2003-04 and 2014-15	Additional Commissioner of Sales Tax
Orrisa Sales Tax Act, 1947	Sales Tax	0.11	1999-2000	Hon'ble High Court, Odisha
Finance Act, 1994	Service Tax	1.54	2006-07	Joint Commissioner, Central Excise, Customs & Service Tax



## Independent Auditor's Report (Contd.)

Name of the Statute	Nature of Dues	Amount (₹ in lakhs) *	Period to which the amount relates	Forum where dispute is pending
Goods and Services Tax Act, 2017	Goods and Services Tax	0.52	2018-19	Commissioner (Appeals)
Income Tax Act, 1961	Income Tax	1,244.62	Assessment Year 2013-14, 2016-17 to 2021-22	CIT (Appeals)
Employees' Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	64.66	September 21 – March 23	RPFC, Rourkela

\* Net of amounts deposited on account of dispute

- (viii) During the year, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the Tax Assessments under the Income Tax Act, 1961 as Income. Accordingly, the requirement to report on Clause 3(viii) of the Order is not applicable to the Company and hence not commented upon.
- (ix) (a) During the year, the Company has not defaulted in repayment of Loans or other Borrowings or in the payment of Interest thereon to any lender.
- (b) Based on information, explanation and management representations provided to us, the Company has not been declared wilful defaulter by any Bank or Financial Institution or Government or any Government authority.
- (c) Based on overall examination of the Balance Sheet as at 31st March 2023, Term Loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the Financial Statements, no funds raised on Short-Term basis have been used for Long-Term purposes by the Company.
- (e) On an overall examination of the Financial Statements, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries. Accordingly, the requirement to Report on Clause (ix)(e) of the Order is not applicable to the Company and hence not commented upon. The Company does not have any Associate or Joint Venture.
- (f) The Company has not raised Loans during the year on the pledge of Securities held in its Subsidiaries. Hence, the requirement to report on Clause (ix)(f) of the Order is not applicable to the Company and hence not commented upon. The Company does not have any Associate or Joint Venture.
- (x) (a) The Company has not raised any money during the year by way further Public Offer (including Debt Instruments) and hence, the requirement to report on Clause 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible Debentures during the year. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company and hence not commented upon.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by Cost Auditor/ Secretarial Auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no Whistle Blower Complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Accordingly, the requirement to report on Clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company and hence not commented upon.
- (xiii) Transactions with the Related Parties are in compliance with provisions of Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Notes to the Standalone Financial Statements, as required by the applicable Accounting Standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

## Independent Auditor's Report (Contd.)

- (b) The Internal Audit Reports of the Company issued till the date of the audit report, for the year under audit have been considered by us.
- (xv) The Company has not entered into any Non-cash transactions with Directors or persons connected with its Directors. Accordingly, the requirement to report on Clause 3(xv) of the Order is not applicable to the Company and hence not commented upon.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on Clause (xvi)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) According to information, explanation and management representations provided to us and based on our examination of the Books of Account to the extent considered necessary for our Audit, the Company is not engaged in any Non-Banking Financial or Housing Finance Activities. Accordingly, the requirement to report on Clause (xvi)(b) of the Order is not applicable to the Company and hence not commented upon.
- (c) The Company is not a Core Investment Company as defined in the Regulations made by Reserve Bank of India. Accordingly, the requirement to report on Clause 3(xvi) of the Order is not applicable to the Company and hence not commented upon.
- (d) According to information, explanation and management representations provided to us, there is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on Clause 3(xvi)(d) of the Order is not applicable to the Company and hence not commented upon.
- (xvii) The Company has not incurred Cash losses in the current Financial Year and in the immediately preceding Financial Year.
- (xviii) There has been no resignation of the Statutory Auditors during the year. Accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company and hence not commented upon.
- (xix) On the basis of the financial ratios disclosed in Note 42 to the Financial Statements, ageing and expected dates of realization of Financial Assets and payment of Financial Liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the Audit Report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the Audit Report and we neither give any Guarantee nor any Assurance that all Liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a Fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to Sub section 5 of Section 135 of the Act. This matter has been disclosed in Note 31.2 to the Financial Statements.
- (b) All amounts that are unspent under Section (5) of Section 135 of Companies Act, 2013 pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of Sub-section (6) of Section 135 of the said Act. This matter has been disclosed in Note 31.2 to the Financial Statements.

Kolkata  
27th May 2023

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**  
Partner  
Membership Number : 055596  
UDIN : 23055596BGYFSG4821

## Independent Auditor's Report (Contd.)

### **"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF IFGL REFRACTORIES LIMITED**

#### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls with reference to Standalone Financial Statements of IFGL Refractories Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable Financial Information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to these Standalone Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Standalone Financial Statements included obtaining an understanding of Internal Financial Controls with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls with reference to these Standalone Financial Statements.

#### **Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements**

A Company's Internal Financial Controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's Internal Financial Controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

#### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of Internal Financial Controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Standalone Financial Statements to

## Independent Auditor's Report (Contd.)

future periods are subject to the risk that the Internal Financial Control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, adequate Internal Financial Controls with reference to Standalone Financial Statements and such Internal Financial Controls with reference to Standalone Financial Statements were operating effectively as at 31st March 2023, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal Control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

*Partner*

Membership Number : 055596

UDIN : 23055596BGYFSG4821

Kolkata  
27th May 2023



## Standalone Balance Sheet as at 31st March 2023

(₹ in lakhs)

	Note No.	As at 31st March 2023	As at 31st March 2022
<b>A. ASSETS</b>			
<b>1. Non-Current Assets :</b>			
(a) Property, Plant and Equipment	4.1	14,921.34	10,793.97
(b) Capital Work-in-Progress	4.3	2,983.25	1,462.55
(c) Goodwill	5	8,009.81	10,679.76
(d) Other Intangible Assets	6	61.72	78.83
(e) Right of Use Assets	4.2	1,940.35	1,847.97
(f) Financial Assets			
(i) Investments	7	7,564.14	7,559.90
(ii) Others	8	635.68	230.40
(g) Income Tax Assets (Net)	10	795.39	330.66
(h) Other Non-Current Assets	11	783.97	760.24
<b>Total Non-Current Assets</b>		<b>37,695.65</b>	<b>33,744.28</b>
<b>2. Current Assets</b>			
(a) Inventories	12	17,223.62	16,969.79
(b) Financial Assets			
(i) Investments	7	11,295.99	11,546.28
(ii) Trade Receivables	13	19,996.88	18,018.24
(iii) Cash and Cash Equivalents	14 (A)	7.65	8.42
(iv) Bank Balances other than (iii) above	14 (B)	119.40	882.98
(v) Others	8	89.25	823.31
(c) Other Current Assets	11	904.75	1,306.30
<b>Total Current Assets</b>		<b>49,637.54</b>	<b>49,555.32</b>
<b>Total Assets (1+2)</b>		<b>87,333.19</b>	<b>83,299.60</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	3,603.93	3,603.93
(b) Other Equity	16	58,625.34	55,026.76
<b>Total Equity</b>		<b>62,229.27</b>	<b>58,630.69</b>
<b>2. Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings			
(a) Lease Liabilities	4.2	941.67	1,014.46
(b) Other Borrowings	17	4,034.52	-
(b) Deferred Tax Liabilities (Net)	9	3,446.30	3,412.68
<b>Total Non-Current Liabilities</b>		<b>8,422.49</b>	<b>4,427.14</b>
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings			
(a) Lease Liabilities	4.2	95.98	84.95
(b) Other Borrowings	20	6,424.62	7,515.53
(ii) Trade Payables			
Total Outstanding dues of Micro Enterprises and Small Enterprises	21	1,310.49	922.06
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		6,583.92	9,949.68
(iii) Other Financial Liabilities	22	1,152.98	905.30
(b) Income Tax Liabilities (Net)	18	151.97	156.58
(c) Other Current Liabilities	23	922.14	677.49
(d) Provisions	19	39.33	30.18
<b>Total Current Liabilities</b>		<b>16,681.43</b>	<b>20,241.77</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>87,333.19</b>	<b>83,299.60</b>
<b>Summary of Significant Accounting Policies</b>	1-3		

See accompanying Notes forming part of the Standalone Financial Statements

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. : 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**

Chairman

(DIN – 00084004)

**James L McIntosh**

Managing Director

(DIN – 09287829)

**Kamal Sarda**

Director and Chief Executive Officer

(DIN – 03151258)

**Mansi Damani**

Company Secretary

(FCS – 6769)

**Amit Agarwal**

Chief Financial Officer

## Standalone Statement of Profit and Loss for the year ended 31st March 2023

(₹ in lakhs)

	Note No.	For the year ended 31 <sup>st</sup> March 2023	For the year ended 31 <sup>st</sup> March 2022
<b>I. REVENUE FROM OPERATIONS</b>	24	83,336.57	78,733.19
<b>II. Other Income</b>	25	1,220.36	1,401.77
<b>III. Total Income (I + II)</b>		<b>84,556.93</b>	<b>80,134.96</b>
<b>IV. EXPENSES :</b>			
(a) Cost of Raw Materials and Components Consumed	26	37,312.01	36,377.27
(b) Purchases of Stock-in-Trade	27	9,255.99	5,020.16
(c) (Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	28	(593.65)	(1,845.14)
(d) Employee Benefit Expenses	29	6,080.71	5,613.65
(e) Finance Costs	30	455.87	299.16
(f) Depreciation and Amortisation Expenses	4.1, 4.2, 5 and 6	4,428.50	4,114.41
(g) Other Expenses	31	19,088.92	21,835.61
<b>Total Expenses</b>		<b>76,028.35</b>	<b>71,415.12</b>
<b>V. PROFIT BEFORE TAX (III - IV)</b>		<b>8,528.58</b>	<b>8,719.84</b>
<b>VI. Income Tax Expense</b>			
(1) Current Tax	39	2,379.63	3,383.39
(2) Deferred Tax Charge/(Credit)	39	31.52	(985.71)
<b>Total Tax Expense</b>		<b>2,411.15</b>	<b>2,397.68</b>
<b>VII. PROFIT FOR THE YEAR (V - VI)</b>		<b>6,117.43</b>	<b>6,322.16</b>
<b>Other Comprehensive Income :</b>			
<b>Other Comprehensive Income not to be reclassified to Profit and Loss in subsequent periods</b>			
(i) Re-measurement Gains on Defined Benefit Plans	29.6	6.00	2.14
(ii) Income Tax relating to above Item	39	(2.10)	(0.75)
<b>VIII. Other Comprehensive Income for the year, Net of Tax</b>		<b>3.90</b>	<b>1.39</b>
<b>IX. Total Comprehensive Income for the year, Net of Tax (VII + VIII)</b>		<b>6,121.33</b>	<b>6,323.55</b>
<b>X. Earnings per Share (Nominal value of Equity Shares ₹ 10/- each)</b>			
Basic & Diluted (in ₹)	32	<b>16.97</b>	<b>17.54</b>
<b>Summary of Significant Accounting Policies</b>	1-3		

See accompanying Notes forming part of the Standalone Financial Statements

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. : 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**  
 Chairman  
 (DIN – 00084004)

**James L McIntosh**  
 Managing Director  
 (DIN – 09287829)

**Kamal Sarda**  
 Director and Chief Executive Officer  
 (DIN – 03151258)

**Mansi Damani**  
 Company Secretary  
 (FCS – 6769)

**Amit Agarwal**  
 Chief Financial Officer

## Standalone Cash Flow Statement for the year ended 31st March 2023

(₹ in lakhs)

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
<b>Profit before Tax</b>	8,528.58	8,719.84
<b>Adjustments for :</b>		
Finance Costs	455.87	299.16
Interest Income	(187.59)	(276.15)
Liabilities no longer required written back	(608.09)	(341.69)
Net loss on Sale of Property, Plant and Equipment	19.33	12.61
Loss/(Profit) on Sale of Current Investments	42.32	(66.25)
Unrealised Gain on Fair Valuation of Investments through Profit and Loss	(453.18)	(611.16)
Bad Debts written off [net of write back of allowance for Credit impaired of ₹ 1,682.02 (31st March 2022 : ₹ 937.63)]	(9.54)	1,001.52
Gain on Lease Modification	-	(64.63)
Depreciation and Amortisation Expenses	4,428.50	4,114.41
Unrealised Foreign Exchange Gain	(290.98)	(34.10)
	<b>11,925.22</b>	<b>12,753.56</b>
<b>Changes in Working Capital :</b>		
Increase in Trade and Other Receivables	(513.43)	(4,306.48)
Increase in Inventories	(253.83)	(6,918.02)
(Decrease)/Increase in Trade, Other Payables and Provisions	(2,061.53)	1,911.73
<b>Net Changes in Working Capital</b>	<b>(2,828.79)</b>	<b>(9,312.77)</b>
<b>Cash Generated from Operations</b>	<b>9,096.43</b>	<b>3,440.79</b>
Income Taxes Paid	(2,848.97)	(2,457.88)
<b>Net Cash Generated from Operating Activities (1)</b>	<b>6,247.46</b>	<b>982.91</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Purchase of Investments	(4,118.00)	(5,758.97)
Proceeds from Sale of Investments	4,775.10	5,738.93
Proceeds from Maturity of Term Deposits with Banks	1,505.00	7,128.00
Term Deposits placed with Banks	(1,200.00)	(3,278.00)
Interest Received	294.85	303.37
Loan Given	-	(100.00)
Repayment of Loan Given	55.00	45.00
Purchase of Property, Plant and Equipment, Other Intangible Assets and Capital Work-in-Progress	(7,296.00)	(4,970.78)
Proceeds from Sale of Property, Plant and Equipment (Net)	74.65	54.46
<b>Net Cash Used in Investing Activities (2)</b>	<b>(5,909.40)</b>	<b>(837.99)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Dividend Paid on Equity Shares	(2,430.62)	(3,603.93)
Proceeds from Long-Term Borrowings	4,034.52	-
Proceeds from/(Repayment of) Short-Term Borrowings (Net)	(1,204.00)	3,893.17
Payment of Principal portion of Lease Liabilities	(286.91)	(209.73)

## Standalone Cash Flow Statement for the year ended 31st March 2023 (Contd.)

	(₹ in lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest Paid	(451.82)	(233.96)
<b>Net Cash used in Financing Activities (3)</b>	<b>(338.83)</b>	<b>(154.45)</b>
<b>Net Decrease in Cash and Cash Equivalents (1+2+3)</b>	<b>(0.77)</b>	<b>(9.53)</b>
Cash and Cash Equivalents at the beginning of the year	8.42	17.95
<b>Cash and Cash Equivalents at the end of the year [Refer Note 14(A)]</b>	<b>7.65</b>	<b>8.42</b>

**Refer Note 14.2 for Changes in Liabilities arising from Financing Activities**  
**Summary of Significant Accounting Policies** (Refer Note No. 1-3)

See accompanying Notes forming part of the Standalone Financial Statements  
 In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**  
 Partner  
 Membership No. : 055596  
 Kolkata  
 27th May 2023

**Kamal Sarda**  
 Director and Chief Executive Officer  
 (DIN – 03151258)

For and on behalf of the Board of Directors  
**S K Bajoria**  
 Chairman  
 (DIN – 00084004)

**James L McIntosh**  
 Managing Director  
 (DIN – 09287829)

**Mansi Damani**  
 Company Secretary  
 (FCS – 6769)

**Amit Agarwal**  
 Chief Financial Officer



## Standalone Statement of Changes in Equity for the year ended 31st March 2023

(₹ in lakhs)

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>a. Equity Share Capital (Refer Note 15)</b>				
<b>Issued, Subscribed and Fully Paid up Capital</b>				
Opening and Closing Balance (Equity Share of Rs 10 per Share with Voting Rights)*	3,60,39,312	<b>3,603.93</b>	3,60,39,312	<b>3,603.93</b>

\* There are no changes in number of shares during the year ended 31st March 2023 and 31st March 2022.

	Reserves and Surplus				Total
	Securities Premium	Retained Earnings	Special Economic Zone Reinvestment Reserve	Special Economic Zone Reinvestment Reserve Utilisation	
<b>b. Other Equity</b>					
Balance as at 31st March 2021	41,616.37	10,690.77	-	-	52,307.14
Add : Profit for the year	-	6,322.16	-	-	6,322.16
Less : Utilised for Dividend Payment (Refer Note 16)	-	(3,603.93)	-	-	(3,603.93)
Add : Other Comprehensive Income for the year, Net of Tax	-	1.39	-	-	1.39
<b>Balance as at 31st March 2022</b>	<b>41,616.37</b>	<b>13,410.39</b>	-	-	<b>55,026.76</b>
Add : Profit for the year	-	6,117.43	-	-	6,117.43
Less : Utilised for Dividend Payment (Refer Note 16)	-	(2,522.75)	-	-	(2,522.75)
(Less)/Add : Amount transferred from Retained Earnings to Special Economic Zone Reinvestment Reserve (Refer Note 16)	-	(1,824.84)	1,824.84	-	-
(Less)/Add : Amount transferred from Special Economic Zone Reinvestment Reserve to Special Economic Zone Reinvestment Reserve Utilisation (Refer Note 16)	-	-	(1,824.84)	1,824.84	-
Add : Other Comprehensive Income for the year, Net of Tax	-	3.90	-	-	3.90
<b>Balance as at 31st March 2023</b>	<b>41,616.37</b>	<b>15,184.13</b>	-	<b>1,824.84</b>	<b>58,625.34</b>

### Summary of Significant Accounting Policies (Refer Note No. 1-3)

See accompanying Notes forming part of the Standalone Financial Statements

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. : 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**

Chairman

(DIN – 00084004)

**James L McIntosh**

Managing Director

(DIN – 09287829)

**Kamal Sarda**

Director and Chief Executive Officer

(DIN – 03151258)

**Mansi Damani**

Company Secretary

(FCS – 6769)

**Amit Agarwal**

Chief Financial Officer

## Notes to the Standalone Financial Statements

(₹ in lakhs)

### 1. CORPORATE INFORMATION

IFGL Refractories Limited is a Public Limited Company and was incorporated under the Companies Act, 1956. The Company is primarily engaged in the manufacturing, trading and selling of Refractory items and its related equipment and accessories used in Steel plants. The Company also provides services in relation to refractory goods. Manufacturing facilities of the Company are located in Kandla Special Economic Zone (SEZ), Gujarat, Kalunga Industrial Estate near Rourkela, Odisha and Industrial Park APIIC De-Notified Area, Atchutapuram, Visakhapatnam District, Andhra Pradesh. The Company has operating Subsidiaries in Asia (China), in Europe (Germany and United Kingdom) and in North America (USA). The Company caters to both domestic and international markets. The shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

These Ind AS Financial Statements were authorised for issue in accordance with a resolution of the Board of Directors on 27th May 2023.

### 2. SIGNIFICANT ACCOUNTING POLICIES :

This note provides a list of the significant accounting policies adopted in the preparation of these Standalone Financial Statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

#### 2.1 Statement of Compliance

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III), as applicable to Standalone Financial Statement.

The Financial Statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest lakhs (00,000.00), except as otherwise indicated.

#### 2.2 Basis of Preparation

These Standalone Financial Statements have been prepared on a Historical Cost basis except certain Financial Assets and Liabilities (refer Accounting Policy).

Historical cost is generally based on the Fair Value of the consideration given in exchange for goods and services.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the Fair Value of an Asset or a Liability, the Company takes into account the characteristics of the Asset or Liability if market participants would take those characteristics into account when pricing the Asset or Liability at the measurement date. Fair Value for measurement and/or disclosure purposes in these Financial Statements is determined on such a basis, except leasing transactions that are within the scope of Ind AS 116 – Leases that have some similarities to Fair Value but are not Fair Value, such as Net Realisable Value in Ind AS 2 – Inventories or Value in Use in Ind AS 36 – Impairment of Assets.

#### 2.3 Current versus Non-Current Classification

All Current/Non-Current Assets and Liabilities have been classified as Current/Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of asset and liabilities and the time between the acquisition of assets for processing and their realisation in Cash and Cash Equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of Assets and Liabilities.

#### 2.4 Property, Plant and Equipment – Tangible Assets

Freehold Land is carried at Historical Cost. Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. The cost of an item of Property, Plant and Equipment comprises of its cost of acquisition inclusive of inward freight, import duties and other non-refundable taxes or levies and any other cost directly attributable to the acquisition/construction of those items. Expenses capitalised also include applicable borrowing costs for

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

qualifying assets, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying value of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the Standalone Statement of Profit and Loss when incurred. An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

Capital Work-in-Progress is stated at cost (including borrowing cost, where applicable and adjustment for exchange difference), incurred during construction/installation/preoperative periods relating to items or project in progress net of accumulated impairment loss, if any.

### 2.5 Intangible Assets

Intangible Assets are recognised at the cost incurred for its acquisition and are carried at cost less amortisation and impairment, if any. Cost of Intangible Asset is capitalised where it is expected to provide future economic benefits and the cost can be measured reliably. Capitalisation Costs include license fees and costs of implementation/system integration services. The costs are capitalised in the year in which the related Intangible Asset is put to use.

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

An item of Intangible Asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of Intangible Asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

Goodwill arising on Amalgamation has been recognised in accordance with the approved Scheme as detailed in Note 38. Said Goodwill is being amortised in accordance with the scheme for which the Company has estimated useful life of 10 years. Such goodwill will be tested for impairment at every reporting period and wherever there is an indication that the recoverable amount is less than its carrying amount based on a number of factor including business plan, operating results, future cash flows and economic conditions. The recoverable amount is determined based on higher of Value in Use and Fair Value less cost to sell. The Company uses discounted cash flow method to determine the recoverable amount. Cash flow projections take into account past experience and represent management's best estimate about future developments.

As per Ind AS 38, the expenditure on research and development is classified into the expenditure on research phase and development phase. As per paragraph 54 of Ind AS 38, any expenditure on research phase should be recognised as an expense immediately. Any expenditure on development phase should be recognised as an intangible asset, if the recognition criteria given in paragraph 57 of Ind AS 38 are satisfied.

### 2.6 Depreciation and Amortisation

Depreciation/Amortisation of Property, Plant and Equipment and Intangible Assets is calculated using Straight Line Method to allocate their costs, net of their residual values, over their estimated useful lives.

The useful lives considered is as prescribed in Schedule II to the Companies Act, 2013 except for certain items of Plant and Machinery (Machinery Spares) which are depreciated over a period of 1-5 years. The Asset's residual values and useful lives are reviewed and adjusted if necessary, at the end of each reporting period.

Pro-rata depreciation/amortisation is charged on assets from/upto the date on which such assets are ready for intended use/are discarded or sold.

Computer Software is classified as Intangible Asset and amortised on a Straight Line basis over a period of 2 years.

Vehicles are depreciated over the period of 5 years.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 2.7 Impairment of Non Financial Assets

Impairment Loss, if any, is provided to the extent, the Carrying amount of Assets or cash generating units exceed their recoverable amount. Recoverable amount is higher of an Asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an Asset or Cash generating unit and from its disposal at the end of its useful life.

When an Impairment Loss subsequently reverses, the Carrying Amount of the Asset (or Cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no Impairment Loss been recognised for the Asset (or Cash generating unit) in prior years. A reversal of an Impairment Loss is recognised immediately in Standalone Statement of Profit and Loss.

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

### 2.8 Inventories

Inventories are stated at lower of cost and net realizable value.

Raw materials, Trading goods and Stores and spares : Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Basis.

Finished Goods and Work in Progress : Cost includes cost of Direct Materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

Net Realisable Value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified periodically and, where necessary, a provision is made for such Inventories.

### 2.9 Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non monetary items carried at Fair Value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the Fair Value was determined. Non monetary items that are measured in terms of Historical Cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in Standalone Statement of Profit and Loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain Foreign Currency Risks.

### 2.10 Investment in Subsidiaries

Investment in Subsidiaries are carried at cost in accordance with Ind AS 27.

### 2.11 Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments

#### 2.11.1 Financial Assets

A Financial Instrument is any contract that gives rise to a Financial Asset of one Entity and a Financial Liability or Equity Instrument of another Entity.

**Recognition :** Financial Assets include Investments, Trade Receivables, Cash and Cash Equivalents, other Bank balances and other Financial assets etc. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. All the Financial Assets are initially measured at Fair Value. Transaction Costs that are directly attributable to the acquisition of Financial Asset (other than Financial Assets carried at Fair Value through Profit or Loss) are added to or deducted from the Fair Value measured on initial recognition of the Financial Assets.

**Classification :** Management determines the classification of an Asset at initial recognition depending on the purpose for which the Assets were acquired. The subsequent measurement of Financial Assets depends on such classification.]

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

Financial Assets are classified as those measured at :

- a) Amortised cost, where the Financial Assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- b) Fair Value through Other Comprehensive Income (FVTOCI), where the Financial Assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at Fair Value, with unrealised gains and losses arising from changes in the Fair Value being recognised in Other Comprehensive Income.
- c) Fair Value through Profit or Loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the Fair Value of such assets. Such assets are subsequently measured at Fair Value, with unrealised gains and losses arising from changes in the Fair Value being recognised in the Standalone Statement of Profit and Loss in the period in which Trade Receivables, Cash and Cash Equivalents other Bank balances and other Financial Assets etc are classified for measurement at amortised cost while Investments may fall under any of the aforesaid classes.

**Impairment :** The Company assesses at each reporting date whether a Financial Asset (or a group of Financial Assets) such as Investments, Trade Receivables and other Bank balances and other Financial Assets held at amortised cost and Financial Assets that are measured at Fair Value through Other Comprehensive Income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected Credit Losses (ECL) are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For Trade Receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the Debtors and the economic environment.

**Reclassification :** When and only when the business model is changed, the Company shall reclassify all affected Financial Assets prospectively from the reclassification date as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income, Fair Value through Profit or Loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

**De-recognition :** Financial Assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership.

**Concurrently, if the asset is one that is measured at :**

- a) Amortised Cost, the Gain or Loss is recognised in the Standalone Statement of Profit and Loss,
- b) Fair Value through Other Comprehensive Income, the Cumulative Fair Value adjustments previously taken to reserves are reclassified to the Standalone Statement of Profit and Loss unless the Asset represents an Equity Investment in which case the Cumulative Fair Value adjustments previously taken to reserves is reclassified within Equity.

**Income Recognition :** Interest Income is recognised in the Standalone Statement of Profit and Loss using the effective interest method. The effective Interest Rate is the rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the Gross Carrying Amount of the Financial Asset. Dividend Income is recognised in the Standalone Statement of Profit and Loss when the right to receive Dividend is established and the amount can be measured reliably.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 2.11.2 Financial Liabilities

Borrowings, Trade Payables and Other Financial Liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Standalone Statement of Profit and Loss as Finance Cost over the life of the Liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial Liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

#### De-recognition

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing Financial Liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective Carrying Amounts is recognised in the Standalone Statement of Profit and Loss.

#### Offsetting Financial Instruments

Financial Assets and Liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

### 2.11.3 Equity Instruments

Equity Instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

### 2.12 Revenue

Revenue from contract and service income with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The Transaction Price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract, excluding amounts collected on behalf of third parties.

Trade Receivables that do not contain a significant financing component are measured at Transaction Price.

Interest Income is recognised in the Standalone Statement of Profit and Loss using the effective interest method. The effective Interest Rate is the rate that exactly discounts estimated future cash receipts through the expected life of the Financial Asset to the Gross Carrying Amount of the Financial Asset.

Export Incentives in the form of duty drawbacks and Remission of Duties and Taxes on Export Products (RODTEP) are recognised on accrual basis against goods exported.

### 2.13 Government Grant

The Company may receive Government Grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government Grants are recognised when there is reasonable assurance that the grant will be received and the Company will comply with the conditions attached to the grant.

Accordingly, Export Benefits are accounted for as Government Grants in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 2.14 Employee Benefits

#### *Short Term Obligations*

Liabilities for wages and salaries, including non monetary benefits that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related services are measured at the amounts expected to be paid. The Liabilities are presented as current Employee Benefit Obligations in the Standalone Financial Statements. Cost of non accumulating Compensated Absences are recognised when the absences occur.

#### *Post Employment Obligations*

The Company makes contributions to both Defined Benefit and Defined Contribution Schemes.

- i) Contributions towards Provident Fund are recognised as Expense. Provident Fund contributions in respect of employees upto August 2017 of erstwhile IFGL Refractories Limited are made to a Trustee managed exempted Fund and interest paid to members thereof is not lower than that declared annually by the Central Government. Shortfall, if any, is made good by the Company. Membership to said Fund has been closed on and from 1st September 2017, subject to necessary approvals and/or permissions. Provident Fund in respect of remaining employees are made to Statutory Provident Fund established by the Central Government. The Company's contribution is recognised as an expense in the Standalone Statement of Profit and Loss for the period in which the employees render related service.
- ii) Contribution under statutory Employees' Pension Scheme is made as per statutory requirements and charged as expenses for the year.
- iii) Certain employees who joined before 31st March 2004 in erstwhile IFGL Refractories Limited are members of a Trustee managed Superannuation Fund. Said Fund provides for Superannuation Benefit on retirement/death/incapacitation/termination and was amended from the Defined Benefit to Defined Contribution Plan effective 1st April 2004. Defined Benefits were frozen on 31st March 2004. Necessary formalities and approvals have been complied with and obtained. Contribution to Superannuation Fund (Defined Contribution Plan) for certain employees is charged as expenses for the year.
- iv) The Company also contributes to the Central Government administered Employees' State Insurance Scheme for its eligible employees which is a Defined Contribution Plan.
- v) The Company provides Gratuity benefit to its employees through a Trustee managed Fund. Gratuity entitlement of the employees is as per provisions of the Payment of Gratuity Act, 1972. However, in case of employees joining before 1st April 2003 of erstwhile IFGL Refractories Limited, they are entitled to Gratuity as per Scheme framed by that Company or as per the Payment of Gratuity Act, 1972, whichever is higher. Liability towards Gratuity, Superannuation (Defined Benefit Plan) covering eligible employees, is provided and funded on the basis of year end Actuarial Valuation. The Liability or Asset recognised in the Balance Sheet in respect of Gratuity Plans is the present value of Defined Benefit Obligations at the end of the reporting period less the Fair Value of Plan Assets. The Defined Benefit Obligation is calculated annually by actuary using the Projected Unit Credit Method. The Present Value of the Defined Benefit Obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government Bonds that have terms approximating to the terms of the related obligation. The Net Interest Cost is calculated by applying the discount rate to the net balance of the Defined Benefit Obligation and the Fair Value of Plan Assets. This cost is included in the Employee Benefit Expense in the Standalone Statement of Profit and Loss.  
Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet.
- vi) Accrued Liability towards Compensated Absence, covering eligible employees, evaluated on the basis of year end Actuarial Valuation is recognised as a charge.

### 2.15 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and Right of use assets representing the Right of use the underlying assets.

### Right of Use Assets

The Company recognises Right of Use Assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right of Use Assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right of Use Assets are depreciated on a straight-line basis over the lease term or estimated useful life of asset, which ever is less. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Right of Use Assets are also subject to impairment. Refer to the accounting policies under Section 2.7 : Impairment of Non Financial Assets.

### Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the Present Value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the Present Value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### Short-Term Leases and Leases of Low-Value Assets

The Company applies the Short-Term Lease Recognition exemption to its Short-Term Leases of Office, Machinery and Equipment (i.e., those leases that have a Lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the Lease of Low-Value Assets recognition exemption to Leases of Offices, Equipment etc. that are of low value. Lease payments on short term leases and leases of low-value assets are recognised as expense on a Straight-Line basis over the Lease term.

## 2.16 Taxes on Income

Taxes on Income comprises of Current Taxes and Deferred Taxes. Current Tax in the Standalone Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted at the end of the reporting period, together with any adjustment to tax payable in respect of previous years. Current Income Tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in Other Comprehensive Income or in Equity). Current Tax items are recognised in correlation to the underlying transaction either in OCI or directly in Equity. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Tax is recognised on temporary differences between the Carrying Amounts of Assets and Liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred Tax Assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which such temporary differences, unused tax credits and to unused tax losses.

Deferred Tax Assets and Liabilities are offset when there is legally enforceable right to offset Current Tax Assets and Liabilities and when the Deferred Tax balances related to the same taxation authority. Current Tax Assets and Tax Liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis or to realise the asset and settle the liability simultaneously.



## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the Financial Statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as Current Tax for the year. The Deferred Tax Asset is recognised for MAT credit available only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the Statement of Profit and Loss and shown as part of Deferred Tax Asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

### 2.17 Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the Present Value of the cash flows estimated to settle the obligation.

### 2.18 Operating Segments

Operating Segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is responsible for allocating resources and assessing performance of the Operating Segments. Based on such the Company operates in one Operating Segment, viz. Specialised Refractories and Ceramics.

Segments are organised based on business and geographies which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods. As per Ind AS 108, if a financial report contains both the Consolidated Financial Statements of a Parent that is within the scope of this Indian Accounting Standard as well as the Parent's Separate Financial Statements, segment information is required only in the Consolidated Financial Statements. Accordingly, the Company has presented segment only for Consolidated Financial Statements.

### 2.19 Borrowings

Borrowings are initially recognised at Fair Value, Net of Transaction Costs incurred. Borrowings are subsequently measured at Amortised Cost using effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or Loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as Transaction Costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as Current and Non-Current Liabilities based on repayment schedule agreed with banks.

#### Borrowing Costs

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

Other Borrowing Costs are expensed in the period in which they are incurred.

### 2.20 Cash and Cash Equivalents

Cash and Cash Equivalent in the Balance Sheet comprise Cash at Banks and on hand and Short-Term Deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 2.21 Earnings per Share

Basic Earnings per Share is calculated by dividing the Net Profit or loss attributable to Equity Holders of the Company by the Weighted Average number of Equity Shares outstanding during the period.

For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the period attributable to Equity Shareholders of the Company and the Weighted Average Number of Shares outstanding during the period are adjusted for the effects of all dilutive potential Equity Shares.

### 2.22 Contingent Liabilities

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A Contingent Liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

### 2.23 New and Amended Standards

#### a. Amendments to Ind AS 37 : Onerous Contracts – Costs of Fulfilling a Contract

An Onerous Contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e. the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g. the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g. depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The Company applied the amendments to the contracts for which it had not fulfilled all of its obligations at the beginning of the reporting period.

Prior to the application of the amendments, the Company had not identified any contracts as being onerous as the unavoidable costs under the contracts, which were the costs of fulfilling them, comprised only incremental costs directly related to the contracts. As a result of the amendments, the company assessed whether certain other directly related costs are required to be included by the company in determining the costs of fulfilling the contracts. The Company, therefore, recognised an Onerous Contract provision as at 1st April 2022, which increased as of 31st March 2023.

#### b. Amendments to Ind AS 103 : Conceptual Framework

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

These amendments had no impact on the Standalone Financial Statements of the Company as there were no Contingent Assets, Liabilities or Contingent Liabilities within the scope of these amendments that arose during the period.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### c. Amendments to Ind AS 16 : Property, Plant and Equipment : Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of Net Sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the Profit or Loss but deducted from the directly attributable costs considered as part of cost of an item of Property, Plant and Equipment.

The amendments are effective for annual reporting periods beginning on or after 1st April 2022. These amendments had no impact on the Standalone Financial Statements of the Company as there were no sales of such items produced by Property, Plant and Equipment made available for use on or after the beginning of the earliest period presented.

### d. Ind AS 109 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of Financial Liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original Financial Liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

## 3. USE OF ESTIMATES AND JUDGEMENTS :

The preparation of Standalone Financial Statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of Contingent Liabilities at the date of the Standalone Financial Statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### Judgements in applying Accounting Policies

The judgements, apart from those involving estimations (see Note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these Standalone Financial Statements pertain to useful life of Intangible Assets acquired in merger. Refer Notes to the Standalone Financial Statements.

### Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of Assets and Liabilities within the next Financial Year.

### 3.1 Useful lives of Property, Plant and Equipment and Intangible Assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of Property, Plant and Equipment and Intangible Assets at the end of each reporting period.

### 3.2 Fair Value Measurements and Valuation Processes

Some of the Company's Assets and Liabilities are measured at Fair Value for Financial Reporting purposes. Fair Value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the Fair Value measurements are observable and the significance of the inputs to the Fair Value measurement in its entirety, which are described as follows :

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical Assets or Liabilities that the Entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the Asset or Liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the Asset or Liability. The Company engages third party valuers, where required, to perform the valuation.

Information about the valuation techniques and inputs used in determining the Fair Value of various Assets and Liabilities are disclosed in the Notes to the Standalone Financial Statements.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 3.3. Actuarial Valuation

The determination of Company's Liability towards Defined Benefit Obligation to employees is made through independent Actuarial Valuation including determination of amounts to be recognised in the Standalone Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in Note 29 to the Standalone Financial Statements.

### 3.4. Claims, Provisions and Contingent Liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in Note 33 to the Standalone Financial Statements.

### 3.5. Provision against obsolete and slow-moving Inventories

The Company reviews the condition of its Inventories and makes provision against obsolete and slow moving Inventory items which are identified as no longer suitable for sale or use. Company estimates the Net Realisable Value for such Inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an Inventory review at each Balance Sheet date and makes provision against obsolete and slow moving items. The Company reassesses the estimation on each Balance Sheet date.

### 3.6. Impairment of Financial Assets

The Company assesses impairment based on Expected Credit Losses (ECL) model on Trade Receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of Trade Receivables. The provision matrix is based on its historically observed default rates over the expected life of the Trade Receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward looking estimates are analysed.

### 3.7. Taxes

Deferred Tax Assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses including unabsorbed depreciation can be utilised. Significant management estimate and assumptions is required to determine the amount Deferred Tax Assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. For details Refer Note 9.

### 3.8. Leases- Estimating the Incremental Borrowing Rate

The Company does not determine the interest rate implicit in the lease, therefore, it uses its Incremental Borrowing Rate (IBR) to measure Lease Liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>4.1. PROPERTY, PLANT AND EQUIPMENT :</b>		
<b>Net Carrying Amount :</b>		
Land (Freehold)	894.32	928.18
Buildings	5,694.14	4,014.58
Plant and Equipment	7,686.05	5,442.26
Furniture and Fixtures	109.81	35.84
Leasehold Improvements	2.26	2.26
Vehicles	398.13	259.72
Office Equipments	96.28	68.55
Computers	40.35	42.58
<b>Total</b>	<b>14,921.34</b>	<b>10,793.97</b>

	As at 31st March 2021	Additions	Discard/ Disposals	As at 31st March 2022	Additions	Discard/ Disposals	As at 31st March 2023
<b>Gross Carrying Amount</b>							
Land (Freehold)	928.18	-	-	928.18	-	(33.86)	894.32
Buildings	3,674.39	1,630.30	(26.29)	5,278.40	1,884.56	-	7,162.96
Plant and Equipment	13,565.43	2,664.16	(443.45)	15,786.14	3,545.83	(512.89)	18,819.08
Furniture and Fixtures	82.33	14.15	(0.76)	95.72	85.19	(5.10)	175.81
Leasehold Improvements	48.91	-	-	48.91	-	-	48.91
Vehicles	466.74	48.78	(6.89)	508.63	260.01	(50.56)	718.08
Office Equipments	187.46	25.85	(28.86)	184.45	50.13	(1.08)	233.50
Computers	142.64	33.74	(4.33)	172.05	20.15	(21.50)	170.70
<b>Total</b>	<b>19,096.08</b>	<b>4,416.98</b>	<b>(510.58)</b>	<b>23,002.48</b>	<b>5,845.87</b>	<b>(624.99)</b>	<b>28,223.36</b>

	As at 31st March 2021	Charge for the year	Discard/ Disposals	As at 31st March 2022	Charge for the year	Discard/ Disposals	As at 31st March 2023
<b>Depreciation</b>							
Land (Freehold)	-	-	-	-	-	-	-
Buildings	1,138.13	144.57	(18.88)	1,263.82	205.00	-	1,468.82
Plant and Equipment	9,661.11	1,052.68	(369.91)	10,343.88	1,222.25	(433.10)	11,133.03
Furniture and Fixtures	48.29	12.29	(0.70)	59.88	6.91	(0.79)	66.00
Leasehold Improvements	46.65	-	-	46.65	-	-	46.65
Vehicles	204.64	48.86	(4.59)	248.91	101.19	(30.15)	319.95
Office Equipments	120.82	20.53	(25.45)	115.90	22.00	(0.68)	137.22
Computers	115.11	18.48	(4.12)	129.47	22.38	(21.50)	130.35
<b>Total</b>	<b>11,334.75</b>	<b>1,297.41</b>	<b>(423.65)</b>	<b>12,208.51</b>	<b>1,579.73</b>	<b>(486.22)</b>	<b>13,302.02</b>

### Notes :

The details of Property, Plant and Equipment hypothecated against Other Borrowings are presented in Note 17.1 and 20.1.

On transition to Ind AS (i.e. 1st April 2017), the Company had elected to continue with Carrying Value of all Property, Plant and Equipment measured as per the previous GAAP and use that Carrying Value as the deemed cost of Property, Plant and Equipment.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 4.2 RIGHT OF USE ASSETS AND LEASE LIABILITIES

#### As a Lessee :

The Company has lease contracts for premises used for its operations with Lease terms upto 90 years that are recognised as Right of Use Assets. The Company also has certain leases with lease terms of 12 months or less. The Company applies the 'Short-Term Lease' recognition exemption for these leases.

#### Set out below are the Carrying Amounts of Right of Use Assets recognised and the movements during the period :

	As at 31st March 2023	As at 31st March 2022
<b>Leasehold Land</b>		
Opening	1,847.97	1,563.68
Add : Additions	221.10	411.63
Less : Amortisation Expense	(128.72)	(127.34)
<b>Closing</b>	<b>1,940.35</b>	<b>1,847.97</b>

#### Set out below are the Carrying Amounts of Lease Liabilities (at Amortised Cost) and the movements during the period :

	As at 31st March 2023	As at 31st March 2022
Opening	1,099.41	961.58
Additions	221.10	411.63
Accretion of Interest	4.05	65.20
Reversal on modification of Lease	-	(64.63)
Payments	(286.91)	(274.36)
<b>Closing</b>	<b>1,037.65</b>	<b>1,099.41</b>
Non-Current	941.67	1,014.46
Current	95.98	84.95

#### The effective Interest Rate for Lease Liabilities is 9% p.a. with maturities ranging upto 90 years

	As at 31st March 2023	As at 31st March 2022
Amortisation Expense of Right of Use Assets	128.72	127.34
Interest Expense on Lease Liabilities (Refer Note 30)	4.05	65.20
Expense relating to Short-Term Leases (Refer Note 31)	133.49	87.22
<b>Total Amount recognised in Statement of Profit and Loss</b>	<b>266.26</b>	<b>279.76</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

Lease deeds of all Right of Use Assets are held in the name of the Company, except for the following :

Description of Property	Gross Carrying value (₹ in lakhs)	Net Carrying value (₹ in lakhs)	Held in Name of	Whether Promoter, Director or their Relative or Employee	Period held from	Reason for not being held in the Name of Company
Leasehold Land #	59.45	53.80	Indo Flogates Limited	No	28th June 1989	Lease deeds are in names of erstwhile Companies that were merged with the Company under relevant provisions of the Companies Act, 1956/2013 in terms of approval of Honorable High Courts respective States and Honorable National Company Law Tribunal, Kolkata Bench.
Leasehold Land #	44.81	40.56	Indo Flogates Limited	No	16th August 1988	
Leasehold Land #	42.22	38.21	Indo Flogates Limited	No	3rd March 1987	
Leasehold Land #	75.73	68.53	Indo Flogates Limited	No	30th January 1989	
Leasehold Land #	44.27	40.06	Indo Flogates Limited	No	3rd March 1987	
Leasehold Land	143.85	130.19	Indo Flogates Limited	No	1st February 1992	
Leasehold Land	11.77	10.65	Indo Flogates Limited	No	20th August 1992	

# The Immovable properties as stated above are pledged with a Bank.

	As at 31st March 2023	As at 31st March 2022
<b>4.3 CAPITAL WORK-IN-PROGRESS</b>		
Carrying amount at the beginning of the year	1,462.55	1,807.57
Add : Additions during the year	7,366.57	4,071.96
Less : Capitalised during the year	5,845.87	4,416.98
<b>Carrying Amount at the end of the year</b>	<b>2,983.25</b>	<b>1,462.55</b>

Capital Work-in-Progress ageing schedule for Project in progress :	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Capital Work-in-Progress</b>					
<b>As at 31st March 2023</b>	<b>2,975.84</b>	<b>7.41</b>	-	-	<b>2,983.25</b>
<b>As at 31st March 2022</b>	<b>1,450.97</b>	<b>11.58</b>	-	-	<b>1,462.55</b>

**Note :**

There are no projects whose completion are over due or has exceeded its cost compared to its original plan for both the reporting period.

There are no projects as on 31st March 2023 and 31st March 2022 where activity has been temporarily suspended.

	As at 31st March 2023	As at 31st March 2022
<b>5. GOODWILL :</b>		
<b>Net Carrying Amount :</b>		
Goodwill (arising on Merger)*	8,009.81	10,679.76
<b>Total</b>	<b>8,009.81</b>	<b>10,679.76</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2021	Additions	As at 31st March 2022	Additions	As at 31st March 2023
<b>Gross Carrying Amount</b>					
Goodwill (arising on Merger)*	26,699.46	-	26,699.46	-	26,699.46
<b>Total</b>	<b>26,699.46</b>	<b>-</b>	<b>26,699.46</b>	<b>-</b>	<b>26,699.46</b>

	As at 31st March 2021	Charge for the year	As at 31st March 2022	Charge for the year	As at 31st March 2023
<b>Amortisation</b>					
Goodwill (arising on Merger)*	13,349.75	2,669.95	16,019.70	2,669.95	18,689.65
<b>Total</b>	<b>13,349.75</b>	<b>2,669.95</b>	<b>16,019.70</b>	<b>2,669.95</b>	<b>18,689.65</b>

\*Refer Note 38

	As at 31st March 2023	As at 31st March 2022
<b>6. OTHER INTANGIBLE ASSETS :</b>		
<b>Net Carrying Amount :</b>		
Computer Software	61.72	78.83
<b>Total</b>	<b>61.72</b>	<b>78.83</b>

	As at 31st March 2021	Additions	Discard/ Disposals	As at 31st March 2022	Additions	Discard/ Disposals	As at 31st March 2023
<b>Gross Carrying Amount</b>							
Computer Software	249.60	78.71	(11.69)	316.62	32.99	-	349.61
<b>Total</b>	<b>249.60</b>	<b>78.71</b>	<b>(11.69)</b>	<b>316.62</b>	<b>32.99</b>	<b>-</b>	<b>349.61</b>

	As at 31st March 2021	Charge for the year	Discard/ Disposals	As at 31st March 2022	Charge for the year	Discard/ Disposals	As at 31st March 2023
<b>Amortisation</b>							
Computer Software	229.77	19.71	(11.69)	237.79	50.10	-	287.89
<b>Total</b>	<b>229.77</b>	<b>19.71</b>	<b>(11.69)</b>	<b>237.79</b>	<b>50.10</b>	<b>-</b>	<b>287.89</b>

### Note :

On transition to Ind AS (i.e. 1st April 2017), the Company had elected to continue with Carrying Value of all Other Intangible Assets measured as per the previous GAAP and use that Carrying Value as the deemed cost of Other Intangible Assets.

	As at 31st March 2023			As at 31st March 2022		
	QTY (Number)	Current	Non- Current	QTY (Number)	Current	Non- Current
<b>7. INVESTMENTS</b>						
<b>A. At Cost</b>						
<b>Unquoted (Fully Paid)</b>						
<b>Investments in Equity Shares</b>						
<b>Subsidiary Company :</b>						
IFGL Worldwide Holdings Limited [Fully paid Equity Shares of GBP 1 each] #	63,50,000	-	5,625.39	63,50,000	-	5,625.39
<b>TOTAL INVESTMENTS CARRIED AT COST [A]</b>		<b>-</b>	<b>5,625.39</b>		<b>-</b>	<b>5,625.39</b>



## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023			As at 31st March 2022		
	QTY (Number)	Current	Non- Current	QTY (Number)	Current	Non- Current
<b>B. At Fair Value Through Profit and Loss (FVTPL)</b>						
<b>Quoted* (Fully Paid)</b>						
<b>Investments in Mutual Funds</b>						
- Aditya Birla Sun Life Short Term Fund-Direct Plan-Growth Option	2,62,136	112.11	-	2,62,136	106.27	-
- Aditya Birla Sun Life Money Manager Fund-Direct Plan-Growth Option	5,01,344	1,585.22	-	-	-	-
- Axis Banking and PSU Debt Fund-Direct Plan-Growth Option	-	-	-	24,635	538.78	-
- Axis Short Term Fund-Direct Plan-Growth Option	-	-	-	68,98,897	1,840.83	-
- HDFC Corporate Bond Fund-Direct Plan-Growth Option	-	-	-	19,86,298	526.00	-
- ICICI Prudential Equity Savings Fund-Direct Plan-Cumulative	62,70,081	1,210.13	-	62,70,081	1,139.27	-
- ICICI Prudential Banking and PSU Debt Fund-Direct Plan-Growth Option	23,64,462	673.77	-	23,64,462	636.52	-
- ICICI Prudential Short Term Fund-Direct Plan-Growth Option	12,05,854	655.60	-	12,05,854	615.53	-
- Bandhan Banking and PSU Debt Fund-Direct Plan-Growth Option	52,93,345	1,130.28	-	52,93,345	1,079.39	-
- IDFC Bond Fund-Short Term Plan-Direct Plan-Growth Option	-	-	-	10,38,464	508.81	-
- Bandhan Corporate Bond Fund-Direct Plan-Growth Option	66,65,694	1,106.65	-	66,65,694	1,069.19	-
- Kotak Bond Short Term Plan-Direct Plan-Growth Option	11,78,365	562.36	-	11,78,365	538.46	-
- Kotak Corporate Bond Fund- Direct Plan-Growth Option	31,125	1,019.73	-	31,125	975.11	-
- Kotak Debt Hybrid Fund-Direct Plan-Growth Option	4,57,060	229.15	-	4,57,060	217.48	-
- Kotak Equity Arbitrage Fund-Direct Plan-Growth Option	16,46,328	552.32	-	16,46,328	521.38	-
- Kotak Equity Savings Fund-Direct Plan-Growth Option	16,55,067	347.28	-	16,55,067	326.32	-
- SBI Liquid Fund-Direct Plan-Growth Option	38,819	1,367.71	-	-	-	-
<b>Investment in Bonds</b>						
- Government of India (GOI) Bond	85,600	-	92.88	85,600	-	99.24
- SBI Perpetual Bond- (8.5%)	50	-	516.87	50	-	518.88
- SBI Perpetual Bond- (8.75%)	30	-	312.75	30	-	310.17
- SBI Perpetual Bond- (7.72%)	10	-	1,016.25	10	-	1,006.22
<b>Investment in Other Instruments</b>						
- Indigrd Invit	1,88,811	253.03	-	1,88,811	278.78	-
- Powergrid Invit	2,22,000	272.22	-	2,22,000	298.32	-
- ICICI Prudential Long Short Fund	1,99,990	218.43	-	1,99,990	208.03	-
- Edelweiss Crossover Opportunities Fund	-	-	-	9,52,679	121.81	-
<b>TOTAL INVESTMENTS CARRIED AT FVTPL [B]</b>		<b>11,295.99</b>	<b>1,938.75</b>		<b>11,546.28</b>	<b>1,934.51</b>
<b>TOTAL INVESTMENTS CARRYING VALUE (A) + (B)</b>		<b>11,295.99</b>	<b>7,564.14</b>		<b>11,546.28</b>	<b>7,559.90</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023			As at 31st March 2022		
	QTY (Number)	Current	Non- Current	QTY (Number)	Current	Non- Current
<b>Other Disclosures</b>						
Aggregate amount of Quoted Investments		11,295.99	1,938.75		11,546.28	1,934.51
Aggregate amount of Unquoted Investments		-	5,625.39		-	5,625.39
Aggregate Market Value of Quoted Investments		11,295.99	1,938.75		11,546.28	1,934.51

\* Quoted includes repurchase price of Mutual Fund units.

# Refer Related Party Disclosure Note 36.

	As at 31st March 2023		As at 31st March 2022	
	Current	Non-Current	Current	Non-Current
<b>8. FINANCIAL ASSETS - OTHERS</b>				
<b>Unsecured, Considered Good</b>				
<b>At Amortised Cost</b>				
(a) Bank Deposits with more than 12 months maturity	-	400.00	-	-
(b) Interest Accrued on Deposits	8.05	-	115.31	-
(c) Advance to Gratuity Fund (Refer Note 29.6 and 36)	-	-	11.54	-
(d) Loan	-	-	55.00	-
(e) Claims Receivable	9.18	-	5.34	-
(f) Security Deposits	-	235.68	-	230.40
(g) Export Incentive Receivables	72.02	-	636.12	-
<b>Total</b>	<b>89.25</b>	<b>635.68</b>	<b>823.31</b>	<b>230.40</b>

### 9. DEFERRED TAX LIABILITIES (NET)

#### A. Components of Deferred Tax Assets and Liabilities as at 31st March 2023 is as below :

	Balance as at 1st April 2022	Recognised/ (Reversed) in Statement of Profit and Loss	Recognised/ (Reversed) in Balance Sheet	Balance as at 31st March 2023
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis and Allowance for Doubtful Debts	914.02	(673.91)	-	240.11
<b>Sub-total (A)</b>	<b>914.02</b>	<b>(673.91)</b>	<b>-</b>	<b>240.11</b>
<b>Deferred Tax Liabilities</b>				
Excess of book WDV of Property, Plant and Equipment, Intangible Assets and Right of Use Assets over WDV for Income Tax purposes	4,046.33	(706.21)	-	3,340.12
Unrealised Gain on Fair Valuation of Investment carried at FVTPL	280.37	65.92	-	346.29
<b>Sub-total (B)</b>	<b>4,326.70</b>	<b>(640.29)</b>	<b>-</b>	<b>3,686.41</b>
<b>Net Deferred Tax Liabilities* (A-B)</b>	<b>(3,412.68)</b>	<b>(33.62)</b>	<b>-</b>	<b>(3,446.30)</b>

\* Also Refer Note 33(a)

	As at 31st March 2023	As at 31st March 2022
<b>Deferred Tax related to items recognised to OCI (included above) during the year :</b>		
Re-measurement Gain on Defined Benefit Plans	(2.10)	(0.75)
<b>Total</b>	<b>(2.10)</b>	<b>(0.75)</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### B. Components of Deferred Tax Assets and Liabilities as at 31st March 2022 is as below :

	Balance as at 1st April 2021	Recognised/ (Reversed) in Statement of Profit and Loss	Recognised/ (Reversed) in Balance Sheet	Balance as at 31st March 2022
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis and Allowance for Doubtful Debts	575.76	338.26	-	914.02
MAT Credit Entitlement	1,016.97	-	(1,016.97)	-
<b>Sub-total (A)</b>	<b>1,592.73</b>	<b>338.26</b>	<b>(1,016.97)</b>	<b>914.02</b>
<b>Deferred Tax Liabilities</b>				
Excess of book WDV of Property, Plant and Equipment , Intangible Assets and Right of Use Assets over WDV for Income Tax purposes	4,899.27	(852.94)	-	4,046.33
Unrealised Gain on Fair Valuation of Investment carried at FVTPL	74.12	206.25	-	280.37
<b>Sub-total (B)</b>	<b>4,973.39</b>	<b>(646.69)</b>	<b>-</b>	<b>4,326.70</b>
<b>Net Deferred Tax Liabilities* (A - B)</b>	<b>(3,380.66)</b>	<b>984.96</b>	<b>(1,016.97)</b>	<b>(3,412.68)</b>

\* Also Refer Note 33(a)

	As at 31st March 2023	As at 31st March 2022
<b>10. INCOME TAX ASSETS (NET)</b>		
Advance Income Tax (Net of Provisions)	795.39	330.66
<b>Total</b>	<b>795.39</b>	<b>330.66</b>

#### Income Tax Expense/(Benefits)

The Company is subject to Income Tax in India on the basis of Standalone Financial Statements. As per the Income Tax Act, the Company is liable to pay Income Tax which is the higher of regular Income Tax Payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

	As at 31st March 2023		As at 31st March 2022	
	Current	Non-Current	Current	Non-Current
<b>11. OTHER ASSETS</b>				
<b>Unsecured, Considered Good</b>				
(a) Capital Advances	-	729.57	-	725.86
(b) Advances to Suppliers	365.91	-	615.35	-
(c) Balances with Government Authorities (other than Income Tax)	420.12	54.40	570.76	34.38
(d) Pre-payments	118.52	-	119.37	-
(e) Advances to Employees for Expenses	0.20	-	0.82	-
<b>Total</b>	<b>904.75</b>	<b>783.97</b>	<b>1,306.30</b>	<b>760.24</b>

	As at 31st March 2023	As at 31st March 2022
<b>12. INVENTORIES :</b>		
a) Raw Materials and Components	9,084.08	9,247.97
b) Work-in-Progress	2,262.14	2,094.13
c) Finished Goods (Refer Note 44)	3,857.27	4,058.98
d) Stock-in-Trade	1,164.74	537.39
e) Stores and Spares	855.39	1,031.32
<b>Total</b>	<b>17,223.62</b>	<b>16,969.79</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>Goods-in-Transit – Included above :</b>		
i) Raw Materials and Components	471.08	2,142.00
ii) Finished Goods	1,691.77	2,141.93
iii) Stock-in-Trade	739.46	646.30
<b>Total</b>	<b>2,902.31</b>	<b>4,930.23</b>

12.1 Inventories are hypothecated against the Other Borrowings of the Company as referred in Note 17.1 and 20.1.

	As at 31st March 2023	As at 31st March 2022
<b>13. TRADE RECEIVABLES :</b>		
<b>Unsecured - At Amortised Cost</b>		
a) Trade Receivables - Considered Good	19,996.88	18,018.24
b) Trade Receivables - which have significant increase in Credit Risk (Refer Note 44)	464.41	2,146.43
Less : Allowance for Bad and Doubtful Debts	(464.41)	(2,146.43)
<b>Total</b>	<b>19,996.88</b>	<b>18,018.24</b>

13.1 For amounts due relating to Related Party Receivables see Note 36.

13.2 Trade Receivables are Non Interest Bearing.

13.3 No Trade or Other Receivables are due from Directors or other Officers of the Company either severally or jointly with any other person. Nor any Trade or Other Receivables are due from Firms or Private Companies respectively in which any Director is a Partner, a Director or a Member.

13.4 Trade Receivables ageing schedule :

As at 31st March 2023	Outstanding for following periods from Invoice Date					Total
	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	
i) Undisputed Trade Receivables – Considered Good	17,479.44	2,431.99	85.45	-	-	19,996.88
ii) Undisputed Trade Receivables – which have significant increase in Credit Risk	-	-	216.17	83.44	164.80	464.41

As at 31st March 2022	Outstanding for following periods from Invoice Date					Total
	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	
i) Undisputed Trade Receivables – Considered Good	17,001.96	945.38	70.90	-	-	18,018.24
ii) Undisputed Trade Receivables – which have significant increase in Credit Risk	848.50	161.63	204.27	120.05	811.98	2,146.43

There are no unbilled Receivables, hence the same is not disclosed in the ageing schedule.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>14. CASH AND BANK BALANCES :</b>		
<b>A) Cash and Cash Equivalents</b>		
<b>a) Balances with Banks</b>		
– In Current Accounts	2.00	2.55
<b>b) Cash on Hand</b>	5.65	5.87
<b>Total</b>	<b>7.65</b>	<b>8.42</b>
<b>B) Bank Balances other than (A) above</b>		
<b>a)</b> Deposits with original maturity beyond 3 months but not exceeding 12 months	-	705.00
<b>b)</b> Unclaimed Dividend Accounts (Refer Note 14.1)	119.40	114.88
<b>c)</b> Unspent Corporate Social Responsibility (Refer Note 31.2)	-	63.10
<b>Total</b>	<b>119.40</b>	<b>882.98</b>

**14.1** Balances in Unclaimed Dividend Accounts can be utilised by the Company only towards settlement of the respective Unpaid Dividend or to Investor Education and Protection Fund in accordance with law.

### 14.2 Changes in Liabilities arising from Financing Activities

	Other Borrowings	Lease Liabilities
As at 1st April 2022	7,515.53	1,099.41
Add/(Less) : Cash Flow Changes	2,830.52	(286.91)
Add : Other Changes	113.09	225.15
<b>As at 31st March 2023</b>	<b>10,459.14</b>	<b>1,037.65</b>

### Changes in Liabilities arising from Financing Activities

	Other Borrowings	Lease Liabilities
As at 1st April 2021	3,602.55	961.58
Add/(Less) : Cash Flow Changes	3,893.17	(209.73)
Add : Other Changes	19.81	347.56
<b>As at 31st March 2022</b>	<b>7,515.53</b>	<b>1,099.41</b>

	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>15. EQUITY SHARE CAPITAL</b>				
<b>Authorised Share Capital</b>				
Opening and Closing Balance (Equity Share of ₹ 10 per Share with Voting Rights)	4,30,00,000	4,300.00	4,30,00,000	4,300.00
5% Redeemable Preference Shares of ₹ 100 each Opening and Closing Balance (Preference Share of ₹ 100 per Share)	20,00,000	2,000.00	20,00,000	2,000.00
<b>Issued, Subscribed and Fully Paid up Capital</b>				
Opening and Closing Balance (Equity Share of ₹ 10 per Share with Voting Rights)*	3,60,39,312	3,603.93	3,60,39,312	3,603.93

\* There are no changes in Number of Shares during the year ended 31st March 2023 and 31st March 2022.

### 15.1 Share issued pursuant to the Scheme of Amalgamation

Pursuant to the Scheme of Amalgamation as detailed in Note 38, the Company issued and allotted 3,46,10,472 Equity Shares of ₹ 10 each fully paid and 14,87,160 Equity Shares of the Company of ₹10 each fully paid held by erstwhile IFGL Refractories Limited were cancelled on 18th September 2017.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### 15.2 Terms/Rights attached to Equity Shares

The Company has only one class of Equity Shares having Face Value of ₹ 10 each. Each holder of such shares is entitled to 1 vote per Share. In the event of liquidation of the Company, the Equity Shareholders will be entitled to receive the remaining Assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding. The Company in their General Meeting may declare Dividends, but no Dividend shall exceed the amount recommended by the Board of Directors of the Company.

### 15.3 Shares held by the Holding Company and Subsidiaries of the Holding Company

Name of the Shareholder	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% Holding	Number of Shares	% Holding
Bajoria Financial Services Private Limited-Holding Company	1,84,54,353	51.21	1,84,54,353	51.21
Bajoria Enterprises Limited (BEL)-Fellow Subsidiary	270	* 0.00	270	* 0.00

\* below rounding off norms

### 15.4 Details of Shareholders holding more than 5% of aggregate Shares in the Company

Name of the Shareholder	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% Holding	Number of Shares	% Holding
Bajoria Financial Services Private Limited-Holding Company	1,84,54,353	51.21	1,84,54,353	51.21
Krosaki Harima Corporation, Japan-Foreign Promoter of the Company	55,90,156	15.51	55,90,156	15.51
HDFC Small Cap Fund	26,38,672	7.32	26,38,672	7.32

### 15.5 Details of Shares held by Promoters (Equity Shares of ₹ 10 each fully paid) :

Promoter Name @	Number of Equity Shares at the beginning of the year	Number of Equity Shares at the end of the year	% of Total Shares
<b>As at 31st March 2023</b>			
Shishir Kumar Bajoria	14,81,642	14,81,642	4.11%
S K Bajoria HUF (Shishir Kumar Bajoria)	3,14,995	3,14,995	0.87%
Smita Bajoria	44,613	44,613	0.12%
Mihir Prakash Bajoria	2,18,745	2,18,745	0.61%
Bajoria Financial Services Private Limited	1,84,54,353	1,84,54,353	51.21%
Bajoria Enterprises Limited	270	270	*0.00%
Krosaki Harima Corporation	55,90,156	55,90,156	15.51%
<b>Total</b>	<b>2,61,04,774</b>	<b>2,61,04,774</b>	<b>72.43%</b>
<b>As at 31st March 2022</b>			
Shishir Kumar Bajoria	14,81,642	14,81,642	4.11%
S K Bajoria HUF (Shishir Kumar Bajoria)	3,14,995	3,14,995	0.87%
Smita Bajoria	44,613	44,613	0.12%
Mihir Prakash Bajoria	2,18,745	2,18,745	0.61%
Bajoria Financial Services Private Limited	1,84,54,353	1,84,54,353	51.21%
Bajoria Enterprises Limited	270	270	*0.00%
Krosaki Harima Corporation	55,90,156	55,90,156	15.51%
<b>Total</b>	<b>2,61,04,774</b>	<b>2,61,04,774</b>	<b>72.43%</b>

\* below rounding off norms

@ Promoter here means Promoter as defined in the Companies Act, 2013.

There is no change in Shareholding of the Promoters during the year ended 31st March 2023 and 31st March 2022.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	Reserves and Surplus				Total
	Securities Premium	Retained Earnings	Special Economic Zone Reinvestment Reserve	Special Economic Zone Reinvestment Reserve Utilisation	
<b>16. OTHER EQUITY :</b>					
Balance as at 31st March 2021	41,616.37	10,690.77	-	-	52,307.14
Add : Profit for the year	-	6,322.16	-	-	6,322.16
Less : Utilised for Dividend payment	-	(3,603.93)	-	-	(3,603.93)
Add : Other Comprehensive Income for the year	-	1.39	-	-	1.39
<b>Balance as at 31st March 2022</b>	<b>41,616.37</b>	<b>13,410.39</b>	<b>-</b>	<b>-</b>	<b>55,026.76</b>
Add : Profit for the Year	-	6,117.43	-	-	6,117.43
Less : Utilised for Dividend Payment (Refer Note 16.1)	-	(2,522.75)	-	-	(2,522.75)
(Less)/Add : Amount transferred from Retained Earnings to Special Economic Zone Reinvestment Reserve [Refer Note 16 (c)]	-	(1,824.84)	1,824.84	-	-
(Less)/Add : Amount transferred from Special Economic Zone Reinvestment Reserve to Special Economic Zone Reinvestment Reserve Utilisation [Refer Note 16 (d)]	-	-	(1,824.84)	1,824.84	-
Add : Other Comprehensive Income for the year	-	3.90	-	-	3.90
<b>Balance as at 31st March 2023</b>	<b>41,616.37</b>	<b>15,184.13</b>	<b>-</b>	<b>1,824.84</b>	<b>58,625.34</b>

### Notes :

- Securities Premium is used to record the Premium on Issue of Shares. The same is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- Retained Earnings represents the Profits that the Company has earned till date, less any dividends or other distributions to the Shareholders.
- Special Economic Zone Reinvestment Reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Section 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Company for acquiring new Plant and Machinery for the purpose of its business in terms of the provisions of the Section 10AA (2) of the Income Tax Act, 1961.
- During the year ended 31 March 2023, utilization from Special Economic Zone Reinvestment Reserve includes additional acquisition of Plant and Machinery in the business of the Company in terms of the provisions of the Section 10AA(2) of the Income Tax Act, 1961, upon which, the amount has been transferred to Special Economic Zone Reinvestment Reserve Utilisation Account. Post completion of 4 years, amount would be transferred from Special Economic Zone Reinvestment Reserve Utilisation Account to General Reserve.

**16.1** The Board of Directors, at its meeting on 27th May 2023, have proposed a Final Dividend of ₹ 7 (70 %) per Equity Share for the Financial Year ended 31st March 2023 subject to the approval of Shareholders at the forthcoming Annual General Meeting and following Policy on Dividend Distribution of the Company. Proposed Dividend is accounted for in the year in which it is approved by the Shareholders.

The Board of Directors, at its meeting on 28th May 2022, had proposed a Final Dividend of ₹ 7 (70 %) per Equity Share for the Financial Year ended 31st March 2022. The total amount of ₹ 2,522.75 has been paid out during the year ended 31st March 2023, with approval of Equity Shareholders obtained at the Annual General Meeting.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>17. NON CURRENT - OTHER BORROWINGS</b>		
<b>At Amortised Cost</b>		
<b>Secured :</b>		
Term Loan from Banks (Refer Note 17.1)	4,034.52	-
<b>Total</b>	<b>4,034.52</b>	<b>-</b>

**17.1** Rupee Term Loan from a Bank is secured by the first pari-passu charge over all Movable Fixed Assets of the Company, both present and future, first pari-passu charge over Land and Building of the Company situated at Vishakhapatnam, both present and future, and second pari-passu charge over Current Assets of the Company, both present and future. The interest rate on such term loan is 150 bps over 3 months Treasury Bill and is repayable in 20 equal quarterly instalments after one year of moratorium period from the date of first disbursement. Rupee term loan from another Bank is secured by the first pari-passu charge over all movable Fixed Assets of the Company and second pari-passu charge over Current Assets of the Company. The interest rate on such Term Loan is 190 bps over RBI Repo rate and is repayable in 20 equal quarterly instalments after one year of moratorium period from the date of first disbursement.

The Company has also satisfied all Debt Covenants prescribed in terms of Bank Loans. The Company has not defaulted on any loans payable.

**17.2** For Current Maturities of Term Loan from Banks (Refer Note 20)

	As at 31st March 2023	As at 31st March 2022
<b>18. INCOME TAX LIABILITIES (NET)</b>		
Income Tax Liabilities (Net of Advance Tax)	151.97	156.58
<b>Total</b>	<b>151.97</b>	<b>156.58</b>

	As at 31st March 2023	As at 31st March 2022
<b>19. CURRENT PROVISIONS</b>		
Provision for Employee Benefits		
(a) Compensated Absences	25.49	30.18
(b) Gratuity (Refer Note 29.6 and 36)	13.84	-
<b>Total</b>	<b>39.33</b>	<b>30.18</b>

	As at 31st March 2023	As at 31st March 2022
<b>20. CURRENT - OTHER BORROWINGS :</b>		
<b>At Amortised Cost</b>		
<b>Secured</b>		
(a) Working Capital Loans repayable on demand	1,955.84	2,238.72
(b) Packing Credit Loan repayable upto six months	4,044.88	5,276.81
(c) Current Maturities of Term Loan from Banks (Refer Note 17.1)	423.90	-
<b>Total</b>	<b>6,424.62</b>	<b>7,515.53</b>

**20.1** Working Capital and Packing Credit Loans from Banks are secured by hypothecation of Raw Materials, Stock-in-Progress, Finished Goods, Consumables, Spares, Stores, Receivables and Other Current Assets both present and future on pari passu basis and second charge over all movable Fixed Assets of the Company on pari passu basis and in respect of a Bank, there is additional second charge on factory Land and Building of the Company situated at Kalunga.



## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

**20.2** The Company has been sanctioned Working Capital limits in excess of Rupees five crores in aggregate from Banks on the basis of security as mentioned in Note 20.1 above. The revised intimations in respect of amounts initially reported in quarterly returns/statements filed by the Company with such banks are in agreement with the Unaudited Books of Account of the Company. The Company has satisfied all Debt covenants prescribed in terms of Bank Loans. The Company has not defaulted on any loans payable.

	As at 31st March 2023	As at 31st March 2022
<b>21. TRADE PAYABLES :</b>		
<b>At Amortised Cost</b>		
Total Outstanding dues of Micro Enterprises and Small Enterprises	1,310.49	922.06
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	6,583.92	9,949.68
<b>Total</b>	<b>7,894.41</b>	<b>10,871.74</b>

	As at 31st March 2023	As at 31st March 2022
<b>21.1 Dues to the Micro Enterprises and Small Enterprises as defined under the MSMED Act, 2006</b>		
1. The principal amount remaining unpaid to supplier as at the end of accounting year	1,310.45	921.81
2. The interest due thereon remaining unpaid to supplier as at the end of accounting year	0.04	0.25
3. The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointment day during the year 2022-23	-	-
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	0.04	0.25
5. The amount of interest accrued during the year and remaining unpaid at the end of the accounting year.	-	-

**21.2** Trade Payables are Non-Interest bearing, except in case of delay of payment to MSME.

**21.3** For amounts due relating to Related Party Payable see Note 36.

**21.4 Trade Payables ageing schedule :**

	Outstanding for following periods from Invoice Date					Total
	Unbilled Dues/ Provision	Less than 1 year	1 - 2 years	2 - 3 year	More than 3 years	
<b>As at 31st March 2023</b>						
i) Dues of Micro Enterprises and Small Enterprises	-	1,310.49	-	-	-	<b>1,310.49</b>
ii) Dues of Creditor other than Dues of Micro Enterprises and Small Enterprises	1,793.24	4,715.17	36.89	18.88	19.74	<b>6,583.92</b>
iii) Disputed Dues of Micro Enterprises and Small Enterprises	-	-	-	-	-	-
<b>As at 31st March 2022</b>						
(i) Dues of Micro Enterprises and Small Enterprises	-	898.34	-	-	-	<b>898.34</b>
(ii) Due of Creditor other than Micro Enterprises and Small Enterprises	2,437.88	7,413.82	72.81	19.59	5.58	<b>9,949.68</b>
iii) Disputed Dues of Micro Enterprises and Small Enterprises	-	23.72	-	-	-	<b>23.72</b>

## Notes to the Standalone Financial Statements (Contd.)

	As at 31st March 2023	As at 31st March 2022
<b>22. FINANCIAL LIABILITIES - OTHERS</b>		
<b>At Amortised Cost</b>		
a) Unpaid Dividends (Refer Note 22.1)	119.40	114.88
b) Deposits	83.89	94.26
c) Payable to Employees (Refer Note 22.2)	425.65	484.15
d) Creditors for Capital Supplies/Services	432.10	148.91
e) Liability towards Corporate Social Responsibility (Refer Note 31.2)	91.94	63.10
<b>Total</b>	<b>1,152.98</b>	<b>905.30</b>

22.1 There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

22.2 For amounts due relating to Related Party, see Note 36.

	As at 31st March 2023	As at 31st March 2022
<b>23. OTHER CURRENT LIABILITIES</b>		
a) Advances received from Customers	717.82	123.06
b) Statutory Dues	204.32	554.43
<b>Total</b>	<b>922.14</b>	<b>677.49</b>

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>24. REVENUE FROM OPERATIONS</b>		
<b>Revenue From</b>		
Sale of Finished goods	69,420.38	69,776.90
Sale of Traded goods	11,204.69	5,868.13
<b>Revenue From Sale of Products</b>	<b>80,625.07</b>	<b>75,645.03</b>
<b>Revenue From Sale of Services</b>	<b>1,492.82</b>	<b>1,142.48</b>
<b>Other Operating Income :</b>		
Export Benefits	280.85	1,037.36
Net Gain on Foreign Exchange Rate Fluctuation and Translation	816.56	792.18
Other Operating Revenue	121.27	116.14
<b>Total Other Operating Income</b>	<b>1,218.68</b>	<b>1,945.68</b>
<b>Total</b>	<b>83,336.57</b>	<b>78,733.19</b>

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>25. OTHER INCOME :</b>		
Interest Income (Refer Note 25.1)	187.59	276.15
Liabilities no longer required written back	608.09	341.69
Other Non Operating Income (Refer Note 25.2)	424.68	783.93
<b>Total</b>	<b>1,220.36</b>	<b>1,401.77</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>25.1 Details of Interest Income</b>		
Interest Income earned on Financial Assets that are not designated at Fair Value through Profit and Loss :		
On Bank Deposits	41.26	109.09
On Other Deposits	146.33	167.06
<b>Total</b>	<b>187.59</b>	<b>276.15</b>
<b>25.2 Other Non Operating Income</b>		
(Loss)/Profit on Sale of Current Investments	(42.32)	66.25
Unrealised Gain on Fair Valuation of Current Investments through Profit and Loss	453.18	611.16
Gain on Lease Modification	-	64.63
Sundry Receipts	13.82	41.89
<b>Total</b>	<b>424.68</b>	<b>783.93</b>
<b>26. COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>		
Raw Materials and Components	37,312.01	36,377.27
<b>Total</b>	<b>37,312.01</b>	<b>36,377.27</b>
<b>27. PURCHASES OF STOCK-IN-TRADE</b>		
Purchases of Stock-in-Trade	9,255.99	5,020.16
<b>Total</b>	<b>9,255.99</b>	<b>5,020.16</b>
<b>28. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening Stock</b>		
Finished Goods	4,058.98	2,827.01
Work-in-Progress	2,094.13	1,644.32
Stock-in-Trade	537.39	374.03
<b>Sub-total (A)</b>	<b>6,690.50</b>	<b>4,845.36</b>
<b>Less : Closing Stock</b>		
Finished Goods (Refer Note 44)	3,857.27	4,058.98
Work-in-Progress	2,262.14	2,094.13
Stock-in-Trade	1,164.74	537.39
<b>Sub-total (B)</b>	<b>7,284.15</b>	<b>6,690.50</b>
<b>Total (A-B)</b>	<b>(593.65)</b>	<b>(1,845.14)</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>29. EMPLOYEE BENEFITS EXPENSES :</b>		
Salaries, Wages, Bonus and Remuneration	5,458.03	5,070.72
Contribution to Provident and Other Funds	339.86	310.36
Staff Welfare Expenses	282.82	232.57
<b>Total</b>	<b>6,080.71</b>	<b>5,613.65</b>

**29.1** The Company has recognised in the Standalone Statement of Profit and Loss for the year ended 31st March 2023 an amount of ₹ 261.48 (31st March 2022 : ₹ 238.64) as expenses under Defined Contribution Plans.

### 29.2 Provident Fund (Funded)

Provident Fund contributions in respect of employees upto August 2017 of erstwhile IFGL Refractories Limited are made to a Trustee managed exempted fund and interest paid to member thereof is not lower than that declared annually by the Central Government. Shortfall if any is made good by the Company. Membership to said fund has been closed on and from 1st September 2017, subject to necessary approvals and/or permissions. Provident Fund in respect of remaining employees are made to Statutory Provident Fund established by the Central Government. Based on the final guidance for measurement of Provident Fund Liabilities of the Trustee managed fund issued by the Actuarial Society of India, the Company's Liability at the year end of ₹ Nil (31.03.2022 : ₹ Nil) has been actuarially determined by an Independent Actuary.

The details of Fund and Planned Assets position is given below :

	As at 31st March 2023	As at 31st March 2022
Discount Rate	7.20%	6.80%
Expected Guaranteed Interest Rate	8.15%	8.10%

### 29.3 Gratuity (Funded)

The Company provides for Gratuity benefit to its Employees. Gratuity entitlement of the Employees is as per the provision of the Payment of Gratuity Act, 1972. However in case of employees joining before 1st April 2003 of erstwhile IFGL Refractories Limited, they are entitled to Gratuity as per scheme framed by that Company or as per the Payment of Gratuity Act, 1972, whichever is higher. Liability with regard to Gratuity Plan are determined by the Actuarial Valuation as set out in Note 2.14 (v), based on which the Company makes contribution to the Fund using Projected Unit Credit method. The most recent Actuarial Valuation of the Fund was carried out as at 31st March 2023.

### 29.4 Superannuation (Funded)

Certain employees joined before 31st March 2004 of erstwhile IFGL Refractories Limited are member of Trustee managed Superannuation Fund. Said Fund provide for Superannuation benefit on retirement/death/incapacitation/termination and was amended from the Defined Benefit to Defined Contribution Plan effective 1st April, 2004. Defined Benefit Plan was frozen as on 31st March 2004. Necessary formalities/ approvals have been complied with and obtained. Also Refer Notes 2.14 (iii) and (v) for accounting policy relating to Superannuation.

From December 2022, the Company is not effecting payment of contributions in respect of its employees and Member of Company's Income Tax recognised Superannuation Fund, IFGL Refractories Ltd – Employees Superannuation Fund following approval by the Principal Commissioner of Income Tax, Kolkata-2 that surplus lying in Plan-A of the Fund can be adjusted against contributions receivable from the Company under Plan-B thereof. Amount involved for the period December 2022 to March 2023 is ₹ 13.15.

### 29.5 Compensated Absence (Unfunded)

The Company provides for encashment of accumulated Leave Benefit for eligible employees (i.e. workmen) at the time of retirement, death, incapacitation or termination of employment, subject to a maximum of one hundred and twenty days based on the last drawn salary. Liabilities are determined by Actuarial Valuation as set out in Note 2.14 (vi) using Projected Unit Credit method.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

29.6 Following are the further particulars with respect to Defined Benefit Plans of the Company for the year ended 31st March 2023 :

	Gratuity (Funded)		Superannuation (Funded)	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>a) Reconciliation of the Opening and Closing Balances of Present Value of Defined Benefit Obligation :</b>				
Present Value of Obligation, as at the beginning of the year	779.46	726.08	31.86	46.18
Service Cost	80.76	75.37	-	-
Interest Cost	48.75	45.29	1.63	2.69
Actuarial Gains	(21.45)	(8.71)	1.11	(7.36)
Benefits Paid	(125.26)	(58.57)	(15.74)	(9.65)
Present Value of Obligation, as at the end of the year	<b>762.26</b>	<b>779.46</b>	<b>18.86</b>	<b>31.86</b>
<b>b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets :</b>				
Fair Value of Plan Assets as at the beginning of the year	791.00	757.20	637.41	608.93
Interest Income	51.13	48.94	42.81	39.27
Remeasurement Gains	(15.45)	(6.57)	(36.02)	(1.14)
Contribution by the Company	47.00	50.00	-	-
Benefits Paid	(125.26)	(58.57)	(15.74)	(9.65)
Fair Value of Plan Assets, as at the end of the year	<b>748.42</b>	<b>791.00</b>	<b>628.46</b>	<b>637.41</b>
<b>c) Reconciliation of the Present Value of Defined Benefit Obligation and Fair Value of the Plan Assets :</b>				
Fair Value of Plan Assets as at the end of the year (A)	748.42	791.00	628.46	637.41
Present Value of Obligation as at the end of the year (B)	762.26	779.46	18.86	31.86
(Liabilities)/Assets recognised in the Balance Sheet (A) - (B)	<b>(13.84)</b>	<b>11.54</b>	<b># 609.60</b>	<b># 605.55</b>
# Actual amount of Asset in the Balance Sheet is Nil (31st March 2022 : Nil)				
<b>d) Expense recognised in the Statement of Profit and Loss :</b>				
<b>Employee Benefits Expense :</b>				
Service Cost	* 80.76	* 75.37	-	-
Net Interest Expenses	* (2.38)	* (3.65)	(41.18)	(36.58)
<b>Other Comprehensive Income :</b>				
Actuarial (Gains)/Losses	(6.00)	(2.14)	37.13	(6.22)
<b>Total Expenses as per the Actuarial Valuation</b>	<b>72.38</b>	<b>69.58</b>	<b>(4.05)</b>	<b>(42.80)</b>
Actual Expenses Recognised	72.38	69.58	-	-
*The Expenses for the above benefits are recognised under 'Contribution to Provident and Other Funds' in Note 29.				
<b>e) Category of Plan Assets :</b>				
GOI Securities (%)	0.29	0.29	1.00	1.00
Units of Insurers (%)	97.80	97.80	95.00	95.00
Others (including Bank Balances) (%)	1.91	1.91	4.00	4.00
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	Gratuity (Funded)		Superannuation (Funded)	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>f) Principal Actuarial Assumptions</b>				
Discount Rate (per Annum) (%)	7.20	6.80	7.20	6.80
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA
Remaining Working Life (in Years)	23.67	24.22	5.69	6.39
Mortality Rate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate
Method Used	Projected Unit Credit Method			
Actual Return on Plan Assets	35.68	42.37	6.79	38.13

### g) Other Disclosures :

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors.

#### Sensitivity Analysis

The Sensitivity of Defined Benefit Obligations to changes in the weighted principal assumptions is :

	As at 31st March 2023		As at 31st March 2022	
	Impact on Defined Benefit Obligations (Gratuity)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)% change compared to base due to Sensitivity	(50.87)	59.09	(49.48)	57.40
Salary Growth Rate (-/+ 1%)% change compared to base due to Sensitivity	56.94	(50.92)	55.64	(49.64)

	As at 31st March 2023		As at 31st March 2022	
	Impact on Defined Benefit Obligations (Superannuation)			
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)% change compared to base due to Sensitivity	(0.24)	0.25	(0.37)	0.38
Salary Growth Rate (-/+ 1%)% change compared to base due to Sensitivity	NA	NA	NA	NA

The above Sensitivity Analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the Sensitivity of the Defined Benefit Obligation to Significant Actuarial Assumptions, the same method (Present Value of the Defined Benefit Obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied while calculating the Defined Benefit Liability recognised in the Balance Sheet.

The methods and types of assumptions used in preparing the Sensitivity Analysis did not change compared to the prior period.

#### Risk Exposure :

Through its Defined Benefit Plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

- Investment Risk :** The Defined Benefit Plans are funded Government Securities and Units of Insurers. The Company does not has any liberty to manage the funds provided to Insurance Companies.
- Interest Risk :** A decrease in the interest rate on Plan Assets will increase the Plan Liability.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

- c. **Life Expectancy** : The Present Value of the Defined Benefit Plan Liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the Plan Liability.
- d. **Salary Growth Risk** : The Present Value of Defined Benefit Plan Liability is calculated by reference to the future salaries of plan participants. An increase in Salary will increase the Plan Liability.

### Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending 31st March 2023 is ₹ 13.84 ( 31st March 2022 : Nil)

The Weighted Average duration of the Defined Benefit Obligation (Gratuity) is 7 years (31st March 2022 - 7 years). The expected maturity analysis of Undiscounted Gratuity is as follows :

	As at 31st March 2023	As at 31st March 2022
Year 1	54.08	88.02
Year 2	91.28	93.31
Year 3	106.80	90.11
Year 4	120.74	104.49
Year 5	159.78	118.79
Year 6 to 10	494.92	564.62

The Weighted Average duration of the Defined Benefit Obligation (Superannuation) is 1 year (31st March 2022 - 1 year). The expected maturity analysis of payment for Superannuation is as follows :

	As at 31st March 2023	As at 31st March 2022
Year 1	8.93	17.52
Year 2	3.68	5.27
Year 3	2.47	3.66
Year 4	1.01	2.45
Year 5	3.89	1.01
Year 6 to 10	0.96	4.96

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>30. FINANCE COSTS</b>		
Interest on Borrowing from Banks and Others	451.82	233.96
Interest on Lease Liabilities (Refer Note 4.2)	4.05	65.20
<b>Total</b>	<b>455.87</b>	<b>299.16</b>

	For the year ended 31st March 2023		For the year ended 31st March 2022	
<b>31. OTHER EXPENSES :</b>				
Consumption of Stores and Spares		1,532.74		1,543.59
Power and Fuel		3,178.90		3,056.27
Rent ( Refer Note 4.2)		133.49		87.22
Rates and Taxes		31.45		53.75
<b>Repairs and Maintenance :</b>				
- Plant and Machinery	239.12		235.91	
- Buildings	86.27		55.21	
- Others	318.74	644.13	277.27	568.39
Insurance		143.99		108.19

## Notes to the Standalone Financial Statements (Contd.)

	For the year ended 31st March 2023		For the year ended 31st March 2022	
	(₹ in lakhs)			
Payment to Auditors (Refer Note 31.1)		38.95		36.82
Directors' Sitting Fees		7.60		7.65
Bank Charges		104.49		128.21
Computerisation Expenses		84.76		59.70
Bad Debts/Advances written off [Net of write back of Allowance for Credit impaired of ₹ 1,682.02 (31st March 2022 : ₹ 937.63)](Refer Note 44)		(9.54)		1,001.52
Travelling and Conveyance		701.06		383.93
Site Contractor Expenses		2,466.79		1,972.03
Printing and Stationery		20.15		8.08
Processing Charges		972.39		980.33
Corporate Social Responsibility Expenditure (Refer Note 31.2)		149.51		113.10
Legal and Professional Charges		261.04		368.75
Postage, Telephone, Telex etc.		52.38		47.01
Service Charges		143.69		127.72
Sales Commission (Refer Note 44)		2,048.87		2,500.24
Packing Expenses		1,574.33		1,819.55
Delivery and Forwarding Expenses		4,319.31		6,523.80
Net Loss on Sale of Property, Plant and Equipment		19.33		12.61
Security Charges		86.61		66.34
Miscellaneous Expenses		382.50		260.81
<b>Total</b>		<b>19,088.92</b>		<b>21,835.61</b>

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>31.1 Payment to Auditors</b>		
As Auditors (For Statutory Audit including Limited Reviews)	36.00	36.00
Reimbursement of Expenses	2.95	0.82
<b>Total</b>	<b>38.95</b>	<b>36.82</b>

### 31.2 Corporate Social Responsibility Expenditure

a) Gross amount required to be spent by the Company during the year is ₹ 149.51 (31st March 2022 : ₹ 113.10).

b) Amount spent during the year ending 31st March 2023 in respect of above

	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of any Asset	-	-	-
ii) On purposes other than i) above	57.57	91.94	149.51
<b>Total</b>	<b>57.57</b>	<b>91.94</b>	<b>149.51</b>

c) Amount spent during the year ending 31st March 2022 in respect of above

	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of any Asset	-	-	-
ii) On purposes other than i) above	50.00	63.10	113.10
<b>Total</b>	<b>50.00</b>	<b>63.10</b>	<b>113.10</b>



## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### d) Details related to Spent / Unspent Obligations :

	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	57.57	50.00
iii) Unspent amount in relation to :		
- Ongoing project	91.94	-
- Other than Ongoing project	-	63.10
<b>Total</b>	<b>149.51</b>	<b>113.10</b>

### e) In case of Section 135 (Ongoing Project & Others)

	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening Balance	63.10	-
Amount required to be spent during the year	149.51	113.10
Amount spent during the year	120.67	50.00
<b>Closing Balance</b>	<b># 91.94</b>	<b>63.10</b>

# Unspent amount of ₹ 91.94 is transferred to a Unspent CSR account on 28th April 2023 in compliance of provision of Section 135 of Companies Act, 2013.

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>32. EARNINGS PER SHARE (EPS)</b>		
Profit after Tax attributable to the Equity Shareholders (₹ in lakhs) (A)	6,117.43	6,322.16
Weighted Average Number of Equity Shares (in Numbers) (B)	3,60,39,312	3,60,39,312
Nominal Value of Equity Shares (in ₹)	10.00	10.00
Face Value of Equity Share (in ₹)	10.00	10.00
<b>Basic &amp; Diluted EPS (in ₹) (A/B)</b>	<b>16.97</b>	<b>17.54</b>

	As at 31st March 2023	As at 31st March 2022
<b>33. CONTINGENT LIABILITIES :</b>		
<b>a) Claims against the Company not acknowledged as Debts :</b>		
i) Sales Tax matter under dispute relating to issues of applicability and classification [related payments ₹ 7.61 (31st March 2022 : ₹ 35.41)]	4.95	6.88
ii) Goods and Service Tax matter under dispute [related payments ₹ 0.03 (31st March 2022 : ₹ 0.03)]	0.56	54.15
iii) Income Tax matters under dispute relating to issues of applicability and determination [related payments ₹ 8.75 (31st March 2022 : ₹ 0.54)]	1,244.62	572.39
iv) Service Tax matter under dispute relating to issue of applicability	1.54	37.11
v) Duty Drawback relating to Customs Act, 1962	-	1.59

**b)** The Company has challenged vires of Explanation to Section 10AA(1) of the Income Tax Act, 1961 inserted on and from Assessment Year beginning 1st April 2018 by filing Writ Petition No 544 of 2019 before Hon'ble High Court at Calcutta, which has been admitted on 7th November 2019, on grounds that such explanation denies the benefit that was intended to be provided under the said Section. Management believes, supported by legal opinion obtained, that the Company will be able to defend its position of continuing to determine its Income Tax obligation based on provisions of the Income Tax Act, 1961 applicable prior to insertion of the aforesaid explanation. Consequently, the resultant Deferred Tax Asset of ₹ 1,203.59 (31st March 2022 : ₹ 1,203.59) has been considered realisable and, hence, continues to be recognised in these Financial Statements till 31st March 2023. In the opinion of the Management, outcome of these proceedings will not have a material effect on the Company's financial position and result of operations.

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

## Notes to the Standalone Financial Statements (Contd.)

	(₹ in lakhs)	
	As at 31st March 2023	As at 31st March 2022
<b>34. CAPITAL AND OTHER COMMITMENTS</b>		
Estimated Value of Contracts on Capital Account remaining to be Executed (Net of Advances) and not provided for	3,310.62	2,631.96
Other Commitments (in respect of Current Investments)	-	100.00
<b>Total</b>	<b>3,310.62</b>	<b>2,731.96</b>

### 35 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES :

#### 35.1 Capital Management

The Company aims at maintaining a strong capital base maximizing Shareholders' Wealth safeguarding Business continuity and augments its internal generations with a judicious use of Borrowing facilities to fund spikes in Working Capital that arise from time to time as well as requirements to finance business growth.

The Company monitors Capital using Gearing Ratio which is, Net Debt divided by Total Capital plus Net Debt.

	As at 31st March 2023	As at 31st March 2022
<b>Borrowings (including Lease Liabilities)</b>	11,496.79	8,614.94
Less : Cash & Cash Equivalents	7.65	8.42
<b>Net Debt</b>	<b>11,489.14</b>	<b>8,606.52</b>
<b>Equity</b>	<b>62,229.27</b>	<b>58,630.69</b>
<b>Gearing Ratio</b>	<b>15.59%</b>	<b>12.80%</b>

#### 35.2 Categories of Financial Instruments

Set out below, is a comparison by class of the Carrying Amounts and Fair Value of the Company's Financial Instruments :

	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A. Financial Assets</b>				
<b>a) Measured at Amortised Cost</b>				
i) Cash and Cash Equivalents	7.65	7.65	8.42	8.42
ii) Other Bank Balances	119.40	119.40	882.98	882.98
iii) Trade Receivables	19,996.88	19,996.88	18,018.24	18,018.24
iv) Other Financial Assets	724.93	724.93	1,053.71	1,053.71
<b>Sub-total (A)</b>	<b>20,848.86</b>	<b>20,848.86</b>	<b>19,963.35</b>	<b>19,963.35</b>
<b>b) Measured at Fair Value through Profit and Loss</b>				
Investment in Mutual Funds, Bond & Others	13,234.74	13,234.74	13,480.79	13,480.79
<b>Sub-total (B)</b>	<b>13,234.74</b>	<b>13,234.74</b>	<b>13,480.79</b>	<b>13,480.79</b>
<b>c) Measured at Cost</b>				
Investment in Subsidiaries	5,625.39	5,625.39	5,625.39	5,625.39
<b>Sub-total (C)</b>	<b>5,625.39</b>	<b>5,625.39</b>	<b>5,625.39</b>	<b>5,625.39</b>
<b>Total Financial Assets (A)+(B)+(C)</b>	<b>39,708.99</b>	<b>39,708.99</b>	<b>39,069.53</b>	<b>39,069.53</b>
<b>B. Financial Liabilities</b>				
<b>a) Measured at Amortised Cost</b>				
i) Other Borrowings	10,459.14	10,459.14	7,515.53	7,515.53
ii) Trade Payables	7,894.41	7,894.41	10,871.74	10,871.74
iii) Other Financial Liabilities	1,152.98	1,152.98	905.30	905.30
iv) Lease Liabilities	1,037.65	1,037.65	1,099.41	1,099.41
<b>Sub-total</b>	<b>20,544.18</b>	<b>20,544.18</b>	<b>20,391.98</b>	<b>20,391.98</b>
<b>Total Financial Liabilities</b>	<b>20,544.18</b>	<b>20,544.18</b>	<b>20,391.98</b>	<b>20,391.98</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

The Management assessed that Cash and Cash Equivalents, Other Bank Balances, Trade Receivables, Trade Payables, Other Financial Assets and Other Financial Liabilities approximate their Carrying Amounts largely due to the Short-Term Maturities of these instruments.

The Fair Value of Lease Liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the Fair Value of the Equity Instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total Fair Value.

The Fair Values of the Company's interest bearing borrowings are determined by using DCF method using discount rate that reflects issuer's borrowing rate as at the end of the reporting period. The own non performance risk as at 31st March 2023 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Company has determined that market participants would take into account when pricing the Investments.

### 35.3 Financial Risk Management Objectives

The Company's activities expose it to a variety of Financial Risks, including Market Risk, Credit Risk and Liquidity Risk. The Company continues to focus on a system based approach to Business Risk Management. The Company's Financial Risk Management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong Internal Control Systems, the Current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

#### a) Market Risk

The Company's Financial Instruments are exposed to market changes. The Company is exposed to following significant Market Risk :

- i. Foreign Currency Risk
- ii. Interest Rate Risk
- iii. Price Risk

Market Risk Exposures are measured using Sensitivity Analysis. There has been no change to the Company's exposure to Market Risks or the manner in which these risks are being managed and measured.

#### Fair Value Hierarchy

The following table provides an analysis of Financial Instruments that are measured subsequent to initial recognition at Fair Value, grouped into Level 1 to Level 3, as described below :

**Quoted/Repurchase prices in an active market (Level 1) :** This level of hierarchy includes Financial Assets that are measured by reference to quoted/repurchase prices (unadjusted) in active markets for identical Assets or Liabilities. This category consists of Investment in Quoted Equity Shares, and Mutual Fund Investments.

**Valuation techniques with observable Inputs (Level 2) :** This level of hierarchy includes Financial Assets and Liabilities, measured using Inputs other than Quoted prices included within Level 1 that are observable for the Asset or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy does not include any instrument.

**Valuation techniques with significant unobservable Inputs (Level 3) :** This level of hierarchy includes Financial Assets and Liabilities measured using Inputs that are not based on observable Market Data (unobservable Inputs). Fair Values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable Current Market Transactions in the same instrument nor are they based on available Market Data.

## Notes to the Standalone Financial Statements (Contd.)

	Level 1	Level 2	Level 3	Total
(₹ in lakhs)				
<b>As at 31st March 2023</b>				
<b>Financial Assets</b>				
Investment In Mutual Funds, Bond & Others	13,234.74	-	-	13,234.74
	<b>13,234.74</b>	-	-	<b>13,234.74</b>
<b>As at 31st March 2022</b>				
<b>Financial Assets</b>				
Investment In Mutual Funds, Bond & Others	13,480.79	-	-	13,480.79
	<b>13,480.79</b>	-	-	<b>13,480.79</b>

There have been no transfers between Level 1 and Level 2 during the years ended 31st March 2023 and 31st March 2022.

In determining Fair Value Measurement, the impact of potential climate related matters, including legislation, which may affect the Fair Value Measurement of Assets and Liabilities in the Financial Statements has been considered. These risks in respect of climate related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the Cash Flow forecasts in assessing value-in-use amounts. At present, the impact of climate related matters is not material to the Company's Financial Statements.

### i. Foreign Currency Risk

The Company undertakes transactions denominated in Foreign Currency which results in Exchange Rate fluctuations. Such Exchange Rate risk primarily arises from transactions made in Foreign Exchange and reinstatement risks arising from recognised Assets and Liabilities, which are not in the Company's functional Currency (Indian Rupees).

A significant portion of these transactions are in US Dollar, Euro, etc. The Carrying Amount of Foreign Currency denominated Financial Assets and Liabilities are as follows :

	USD	EURO	GBP	AED	Total
<b>As at 31st March 2023</b>					
Financial Assets	2,096.53	6,565.46	420.64	433.17	<b>9,515.80</b>
Financial Liabilities	1,542.29	4,951.75	-	122.43	<b>6,616.47</b>
<b>As at 31st March 2022</b>					
Financial Assets	2,899.24	6,905.25	197.49	241.56	<b>10,243.54</b>
Financial Liabilities	3,014.77	6,298.97	60.67	98.75	<b>9,473.16</b>

### Un-hedged Foreign Currency Balances :

	Currency	As at	As at
		31st March 2023	31st March 2022
i) Financial Liabilities	USD	1,542.29	3,014.77
	EURO	4,951.75	6,298.97
	GBP	-	60.67
	AED	122.43	98.75
ii) Financial Assets	USD	2,096.53	2,899.24
	EURO	6,565.46	6,905.25
	GBP	420.64	197.49
	AED	433.17	241.56

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### Foreign Currency Sensitivity

Foreign Currency Sensitivities for Unhedged exposure (Impact on increase in 5%)

	As at 31st March 2023		As at 31st March 2022	
	Impact on Profit	Impact on pre Tax Equity	Impact on Profit	Impact on pre Tax Equity
USD	27.71	27.71	(5.78)	(5.78)
EURO	80.69	80.69	30.31	30.31
GBP	21.03	21.03	6.84	6.84
AED	15.54	15.54	7.14	7.14

Figures in brackets indicate decrease in profit

**Note :** If the Rate is decreased by 5%, Profit will increase/(decrease) by an equal Amount.

### ii. Interest Rate Risk

Interest Rate Risk refers to the risk that the Fair Value or Future Cash Flows of a Financial Instrument will fluctuate because of changes in market interest rates. The objectives of the Company's Interest Rate Risk Management processes are to lessen the impact of adverse Interest Rate movements on its earnings and Cash Flows and to minimise counter party risks.

The Company is exposed to Interest Rate volatilities primarily with respect to its Term borrowings from Banks as well as Financial Institutions, Export Packing Credit facilities, Cash Credit facilities. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc. of banks. The Company manages such risk by operating with banks having superior credit rating in the market as well as Financial Institutions.

Interest Rate Sensitivities for Outstanding Exposure (Impact on increase in 50 bps)

	As at 31st March 2023		As at 31st March 2022	
	Impact on Profit	Impact on pre Tax Equity	Impact on Profit	Impact on pre Tax Equity
INR	(29.86)	(29.86)	(5.03)	(5.03)
USD	(1.93)	(1.93)	(6.17)	(6.17)
EURO	(20.50)	(20.50)	(26.38)	(26.38)

Figures in brackets indicate decrease in profit

**Note :** If the Rate is decreased by 50 bps Profit will increase by an equal Amount.

Interest Rate Sensitivity has been calculated assuming the Borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate Borrowing have been done on the closing value of the Foreign Currency.

### iii. Price Risk

The Company invests its surplus funds primarily in Mutual Funds, Bonds and others measured at Fair Value through Profit or Loss. Aggregate value of such Investments as at 31st March 2023 is ₹ 13,234.74 (31st March 2022 : ₹ 13,480.79). Investments in the Mutual Fund schemes are measured at Fair Value. Accordingly, these do not pose any significant Price Risk.

	As at 31st March 2023		As at 31st March 2022	
	Impact on Profit	Impact on pre Tax Equity	Impact on Profit	Impact on pre Tax Equity
<b>Investment In Mutual Funds, Bonds &amp; Others</b>				
0.5% Increase in Price	66.17	66.17	67.40	67.40
0.5% Decrease in Price	(66.17)	(66.17)	(67.40)	(67.40)

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

### b) Liquidity Risk

Liquidity Risk is the Risk that the Company may encounter difficulty in meeting its obligations. The Company mitigates its Liquidity Risks by ensuring timely collections of its Trade Receivables, close monitoring of its Credit Cycle and ensuring optimal movements of its Inventories. The table below provides details regarding remaining contractual maturities of significant Financial Assets and Liabilities at the reporting date

	As at 31st March 2023		As at 31st March 2022	
	Current	Non-Current	Current	Non-Current
<b>A. Financial Assets</b>				
i) Cash and Cash Equivalents	7.65	-	8.42	-
ii) Other Bank Balances	119.40	-	882.98	-
iii) Investment in Subsidiaries	-	5,625.39	-	5,625.39
iv) Trade Receivables	19,996.88	-	18,018.24	-
v) Other Financial Assets	89.25	635.68	823.31	230.40
vi) Investment In Mutual Funds, Bond and Others	11,295.99	1,938.75	11,546.28	1,934.51
<b>Total</b>	<b>31,509.17</b>	<b>8,199.82</b>	<b>31,279.23</b>	<b>7,790.30</b>
<b>B. Financial Liabilities</b>				
i) Other Borrowings	6,424.62	4,034.52	7,515.53	-
ii) Trade Payables	7,894.41	-	10,871.74	-
iii) Other Financial Liabilities	1,152.98	-	905.30	-
iv) Lease Liabilities	95.98	1,931.41	84.95	2,174.37
<b>Total</b>	<b>15,567.99</b>	<b>5,965.93</b>	<b>19,377.52</b>	<b>2,174.37</b>

The Company manages this risk by utilising unused credit lines and portfolio diversion. The Company has investment policy for deployment of surplus liquidity, which allows Investment in Debt Securities and Mutual Fund Schemes.

### c) Credit Risk

Credit Risk is the risk that counter party will not meet its obligations leading to a Financial Loss. The Company has its policies to limit its exposure to Credit Risk arising from outstanding Trade Receivables. Management regularly assess the credit quality of its customer's basis which, terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals.

The movement of the expected loss provision on Trade Receivables made by the Company are as under :

	As at 31st March 2023	As at 31st March 2022
Opening Balance	2,146.43	1,208.80
Add : Provisions (Reversed)/made	(9.54)	1,001.52
Less : Utilisation made for impairment/derecognition	(1,672.48)	(63.89)
<b>Closing Balance</b>	<b>464.41</b>	<b>2,146.43</b>

### 36. RELATED PARTY DISCLOSURE :

Related Party Disclosures in keeping with Indian Accounting Standard (Ind AS 24)

#### a) List of Related Parties

Where Control exists	
Holding Company	Bajoria Financial Services Private Limited
Subsidiary Companies (including Step Down Subsidiaries )	IFGL Worldwide Holdings Limited
	IFGL Monocon Holdings Limited
	Monocon International Refractories Limited
	Monocon Overseas Limited
	Mono Ceramics Inc

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	Monotec Refratarios Ltda
	Tianjin Monocon Refractories Company Limited
	Tianjin Monocon Aluminous Refractories Company Limited
	Goricon Metallurgical Services Limited
	IFGL GmbH
	Hofmann Ceramic GmbH
	Hofmann Ceramic CZ s.r.o.
	IFGL Inc.
	EI Ceramics LLC
	Sheffield Refractories Limited (w.e.f 24.02.2023)
Fellow Subsidiaries	Heritage Health Insurance TPA Private Limited
	Ganges Art Gallery Private Limited
	Bajoria Enterprises Limited
	Heritage Health Knowledge Services Private Limited
	Essentially Healthy Private Limited
Others :	
Key Management Personnel	S K Bajoria (Chairman)
	P Bajoria (Managing Director till 18.07.2021)
	James Leacock McIntosh (Managing Director w.e.f. 01.09.2021)
	Kamal Sarda (Director and Chief Executive Officer and also designated as Chief Financial Officer from 08.02.2020 till 12.11.2021)
	Rajesh Agarwal (appointed as Director - General Counsel on and from 12.11.2022 and also designated as Company Secretary till 11.11.2022)
	Amit Agarwal (Chief Financial Officer w.e.f 13.11.2021)
	Mansi Damani (Company Secretary w.e.f 12.11.2022)
Non Executive Directors	Kanwar Satyabrata Sanyal (resigned on and from 28.05.2022)
	Sudhamoy Khasnobis
	Duraiswamy Gunaseela Rajan
	Debal Kumar Banerji
	Bharati Ray (resigned on and from 28.05.2022)
	Gaurav Swarup (appointed w.e.f 12.10.2022)
	Anita Gupta (appointed w.e.f 12.10.2022)
	Yuji Yamaguchi (resigned on and from 27.08.2022)
	Tetsuo Tsuzuki (resigned on and from 27.08.2022)
Relatives of Key Management Personnel	Smita Bajoria (Wife of Chairman)
	Akshay Bajoria (Son of P Bajoria) (Relative till 18.07.2021)
Enterprises in which Key Management Personnel has Significant Influence	Heritage Insurance Brokers Private Limited
	Bajoria Service Providers LLP
	Excellent IT Services Private Limited (formerly known as Bajoria Holdings Private Limited till 26.07.2022)
	Bajoria Estate Private Limited
	Bajoria Knowledge Private Limited
Post Employment Benefit	IFGL Refractories Limited Staff Provident Fund
	IFGL Exports Limited Employees Gratuity Fund
	IFGL Refractories Limited Employees Superannuation Fund

## Notes to the Standalone Financial Statements (Contd.)

	(₹ in lakhs)	
	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022
<b>b) Particulars of Transactions during the Year and Year end Balances</b>		
<b>I) With Holding Company : Bajoria Financial Services Private Limited</b>		
Rent for Office Premises	55.15	36.73
	<b>55.15</b>	<b>36.73</b>
<b>II) With Subsidiaries including Step down Subsidiaries</b>		
<b>Purchase of Raw Material/Traded goods</b>		
Monocon International Refractories Limited	43.17	29.72
Tianjin Monocon Refractories Company Limited	2,845.58	1,410.85
Tianjin Monocon Aluminous Refractories Company Limited	-	358.78
Hofmann Ceramic GmbH	-	17.60
Mono Ceramics Inc	2.14	0.90
	<b>2,890.89</b>	<b>1,817.85</b>
<b>Purchase of Capital Goods</b>		
Monocon International Refractories Limited	138.04	-
Tianjin Monocon Refractories Company Limited	-	0.74
	<b>138.04</b>	<b>0.74</b>
<b>Sale of Finished Goods</b>		
Monocon International Refractories Limited	677.98	811.03
Mono Ceramics Inc	316.59	221.93
Tianjin Monocon Refractories Company Limited	-	2.88
EI Ceramics LLC	38.28	35.97
Hofmann Ceramic GmbH	17.22	2.79
	<b>1,050.07</b>	<b>1,074.60</b>
<b>Sale of Capital Goods</b>		
Mono Ceramics Inc	-	22.56
Hofmann Ceramic GmbH	12.47	-
	<b>12.47</b>	<b>22.56</b>
<b>Commission Expense</b>		
Mono Ceramics Inc	79.94	50.88
Hofmann Ceramic GmbH	-	152.15
	<b>79.94</b>	<b>203.03</b>
<b>Expenses Reimbursed</b>		
Mono Ceramics Inc	3.36	16.26
Monocon International Refractories Limited	7.79	15.53
	<b>11.15</b>	<b>31.79</b>
<b>Expenses Recovered/Received</b>		
Monocon International Refractories Limited	21.51	15.46
Mono Ceramics Inc	42.99	19.99
EI Ceramics LLC	7.38	4.87
	<b>71.88</b>	<b>40.32</b>



## Notes to the Standalone Financial Statements (Contd.)

	As at/For the year ended 31st March 2023	(₹ in lakhs) As at/For the year ended 31st March 2022
<b>Balances as at 31st March 2023 and 31st March 2022</b>		
<b>Trade Payables</b>		
Monocon International Refractories Limited	-	33.78
Tianjin Monocon Aluminous Refractories Company Limited	-	187.73
Mono Ceramics Inc	2.19	0.90
	<b>2.19</b>	<b>222.41</b>
<b>Commission Payable</b>		
Mono Ceramics Inc	1.15	28.73
	<b>1.15</b>	<b>28.73</b>
<b>Trade Receivables</b>		
Monocon International Refractories Limited	408.87	204.65
Mono Ceramics Inc	61.10	156.09
El Ceramics LLC	-	29.15
	<b>469.97</b>	<b>389.89</b>
<b>Non-Current Investment</b>		
IFGL Worldwide Holdings Limited	5,625.39	5,625.39
	<b>5,625.39</b>	<b>5,625.39</b>
<b>III) Transactions between Fellow Subsidiaries and Other Enterprises in which Key Management Personnel has Significant Influence</b>		
<b>Expenses Reimbursement/Incurred</b>		
Ganges Art Gallery Private Limited	0.30	-
Bajoria Enterprises Limited	12.00	12.00
Essentially Healthy Private Limited	-	0.04
	<b>12.30</b>	<b>12.04</b>
<b>IV) With Key Management Personnel</b>		
<b>Key Management Personnel Remuneration (Short Term Benefits)</b>		
S K Bajoria (Chairman)	202.89	191.02
P Bajoria (Managing Director till 18.07.2021)	-	225.04
James Leacock McIntosh (Managing Director w.e.f. 01.09.2021) #	206.85	92.36
Kamal Sarda (Director and Chief Executive Officer and also designated as Chief Financial Officer from 08.02.2020 till 12.11.2021)	157.97	128.15
Rajesh Agarwal (appointed as Director - General Counsel on and from 12.11.2022 and also designated as Company Secretary till 11.11.2022)	145.57	136.70
Amit Agarwal (Chief Financial Officer w.e.f 13.11.2021)	35.69	29.78
Mansi Damani (Company Secretary w.e.f 12.11.2022)	28.39	-
	<b>777.36</b>	<b>803.05</b>
# Excluding ₹ 336.38 paid from Wholly Owned Subsidiary in accordance with approval in Extra Ordinary General Meeting		
<b>Director's Commission</b>		
S K Bajoria (Chairman)	64.70	91.69
P Bajoria (Managing Director till 18.07.2021)	-	27.38
	<b>64.70</b>	<b>119.07</b>
<b>Director's Commission Payable</b>		
S K Bajoria (Chairman)	64.70	91.69
P Bajoria (Managing Director till 18.07.2021)	-	22.28
	<b>64.70</b>	<b>113.97</b>

## Notes to the Standalone Financial Statements (Contd.)

	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022
(₹ in lakhs)		
<b>V) Non Executive Director - Sitting fees</b>		
Kanwar Satyabrata Sanyal (resigned on and from 28.05.2022)	-	1.10
Sudhamoy Khasnobis	2.15	0.85
Duraiswamy Gunaseela Rajan	2.20	1.40
Debal Kumar Banerji	3.05	2.25
Bharati Ray (resigned on and from 28.05.2022)	-	0.65
Tetsuo Tsuzuki (resigned on and from 27.08.2022)	-	0.80
Yuji Yamaguchi (resigned on and from 27.08.2022)	-	0.60
Gaurav Swarup (appointed w.e.f 12.10.2022)	0.20	-
	<b>7.60</b>	<b>7.65</b>
<b>VI) With Relative of Key Management Personnel</b>		
Remuneration to Akshay Bajoria (Son of P Bajoria) (Relative till 18.07.2021)	-	54.57
	-	<b>54.57</b>
<b>VII) With Other - Post Employment Benefit</b>		
<b>Expenditure</b>		
IFGL Refractories Limited Staff Provident Fund	33.85	36.05
IFGL Exports Limited Employees Gratuity Fund	72.38	69.58
IFGL Refractories Limited Employees Superannuation Fund	27.95	44.95
	<b>134.18</b>	<b>150.58</b>
<b>Year End Balance - Payable</b>		
IFGL Refractories Limited Staff Provident Fund	11.54	11.67
IFGL Exports Limited Employees Gratuity Fund	13.84	-
	<b>25.38</b>	<b>11.67</b>
<b>Year End Balance - Receivable</b>		
IFGL Exports Limited Employees Gratuity Fund	-	11.54
	-	<b>11.54</b>

The remuneration to the Key Managerial Personnel include provisions towards Gratuity as it is determined on an actuarial basis for the Company as a whole.

### Terms and Conditions of transactions with Related Parties

The sales to and purchases from Related Parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any Related Party Receivables or Payables. For the year ended 31st March 2023, the Company has not recorded any impairment of Receivables relating to amounts owed by Related Parties (31st March 2022 : Nil).

### 37. INFORMATION GIVEN IN ACCORDANCE WITH THE REQUIREMENTS OF IND AS 108 ON SEGMENT REPORTING :

The Company operates in a single segment and is engaged in the business of manufacture, trading, sale of refractories and services thereof.

In terms of Ind AS 108 'Segment Reporting' prescribed under Section 133 of the Companies Act, 2013 Segment Information is presented in the Consolidated Financial Statements of the Company. Given below is the information relating to Geographical Market of the Company :

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022
<b>1. Revenue from Operations</b>		
Within India	45,627.65	35,467.88
Outside India	37,708.92	43,265.31
<b>Total</b>	<b>83,336.57</b>	<b>78,733.19</b>
<b>2. Non Current Assets excluding Income Tax Assets (Net) and Financial Assets</b>		
Within India	28,700.44	25,623.32
Outside India	-	-
<b>Total</b>	<b>28,700.44</b>	<b>25,623.32</b>
<b>3. Capital Expenditure</b>	<b>7,620.67</b>	<b>4,562.29</b>

No customer individually accounted for more than 10% of the revenues during the year ended 31st March 2023 and 31st March 2022.

### 38. AMALGAMATION WITH ERSTWHILE IFGL REFRACTORIES LIMITED (ERSTWHILE HOLDING COMPANY)

Hon'ble National Company Law Tribunal, Kolkata Bench (Tribunal) by passing an Order on 3rd August 2017 under Sections 230 and 232 of the Companies Act 2013 sanctioned a Scheme of Amalgamation (Scheme) for merger of erstwhile IFGL Refractories Ltd ("IFGL") with the Company on and from 1st April 2016, being the Appointed Date. Scheme had become effective from 5th August 2017 following filing of Order of Hon'ble Tribunal with the Ministry of Corporate Affairs (Registrar of Companies) by the Company and IFGL on that date. The Scheme was accordingly given effect to in the Financial Year 2016-17 Financial Statements.

In accordance with the provisions of aforesaid scheme-

- The amalgamation was accounted under the 'Purchase Method' as prescribed by Accounting Standard 14 - Accounting for Amalgamation under the previous GAAP.
- The excess of the Value of Equity Shares issued by the Company over the book value of Assets and Liabilities taken over by the Company and cancellation of Equity Shares held by erstwhile IFGL Refractories Limited in the Company, amounting to ₹ 26,699.46 was recorded as goodwill arising on amalgamation.
- The Goodwill recorded on amalgamation is being amortised and the Company has estimated its useful life of 10 years. Accordingly, amortisation for the year amounting to ₹ 2,669.95 has been recognised in the Standalone Statement of Profit and Loss.

### 39. TAX EXPENSE :

This note provides an analysis of the Company's Income Tax Expense, shows amounts that are recognised directly in Equity and how the Tax expenses is affected by non assessable and non deductible items. It also explains significant estimates made in relation to tax positions.

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Current Tax Expense recognised in Profit and Loss</b>		
Current Tax	2,379.63	3,383.39
<b>Total Current Tax Expense (A)</b>	<b>2,379.63</b>	<b>3,383.39</b>
<b>Deferred Tax Expense recognised in Profit and Loss</b>		
Deferred Tax Charge/(Credit) (Refer Note 40)	31.52	(985.71)
<b>Total Deferred Tax Expense recognised in Profit and Loss (B)</b>	<b>31.52</b>	<b>(985.71)</b>
<b>Deferred Tax Expense recognised in Other Comprehensive Income</b>		
Deferred Tax Charge	2.10	0.75
<b>Total Deferred Tax Expense recognised in Other Comprehensive Income (C)</b>	<b>2.10</b>	<b>0.75</b>
<b>Total Deferred Tax for the Year (B + C)</b>	<b>33.62</b>	<b>(984.96)</b>
<b>Total Income Tax Expense (A + B + C)</b>	<b>2,413.25</b>	<b>2,398.43</b>

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

Reconciliation of Tax Expense and the accounting profit multiplied by India's Tax Rate :

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Profit before Tax</b>	8,528.58	8,719.84
<b>Tax at the Indian Tax Rate of 34.944% (2021-22 : 34.944%)</b>	2,980.23	3,047.06
Less : Income Exempted from Tax	(635.52)	(617.61)
Add/(Less) : Effect of Others	68.54	(31.02)
<b>Income Tax Expense</b>	<b>2,413.25</b>	<b>2,398.43</b>

40. Following amendments made by the Finance Act, 2021 to the relevant sections of the Income Tax Act, 1961, whereby Goodwill arising on amalgamation will not be considered as a depreciable asset and depreciation on Goodwill will not be allowable as deductible expenditure effective 1st April 2020, the Company has not claimed deduction of depreciation on such Goodwill under Income Tax for period beginning on that date. Company's Management, supported by legal opinions, continues to believe that such deduction claimed in prior assessment years are sustainable and remain unaffected. During the year, the Company's claim of ₹ 2,815.91 (Tax impact of ₹ 983.99) towards such deduction for Assessment Year 2020-21 has been disallowed. Being aggrieved thereby, the Company has filed an appeal with the Commissioner of Income Tax (Appeals).
41. The Company continues to pay Income Tax under older tax regime and have not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 considering other benefits under the Income Tax Act, 1961.

### 42. RATIO ANALYSIS AND ITS ELEMENTS :

	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022	Variance
a) Current Ratio	2.98	2.45	21.54%
b) Debt-Equity Ratio	0.18	0.15	*25.73%
c) Debt Service Coverage Ratio	15.03	20.68	*(27.36)%
d) Return on Equity Ratio	10.12%	11.04%	(8.30)%
e) Inventory Turnover Ratio	2.85	3.15	(9.51)%
f) Trade Receivable Turnover Ratio	4.38	4.67	(6.12)%
g) Trade Payable Turnover Ratio	5.09	4.95	2.76%
h) Net Capital Turnover Ratio	2.53	2.69	(5.85)%
i) Net Profit Ratio	7.34%	8.03%	(8.58)%
j) Return on Capital Employed	13.00%	15.06%	(13.65)%
k) Return on Investment	4.09%	6.36%	** (35.69)%

Reasons for variance more than 25% in above ratios is explained below :

\* Change due to Term Borrowing in Current FY 2022-23.

\*\* Due to lower mark to market gain.

Sl. No.	Particulars	Numerator	Denominator
a)	Current Ratio	Current Assets	Current Liabilities
b)	Debt-Equity Ratio	Total Debt includes Other Borrowings + Lease liabilities	Total Equity includes Equity Share Capital and Other Equity
c)	Debt Service Coverage Ratio	Earning available for Debt Service includes Profit for the year + Finance costs + Depreciation and Amortisation Expenses + Provision for Doubtful Trade Receivables/Advances +Sundry Debit Balances/Advances written off + Corporate Social Responsibility Expenditure + Net Loss on Sale of Property, Plant and Equipment.	Debt Service includes Finance cost + Lease Payments+ Principal Repayments

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

<b>d)</b>	Return on Equity Ratio	Profit for the Year	Average Total Equity includes Average of Opening and Closing Total Equity.
<b>e)</b>	Inventory Turnover Ratio	Cost of Goods Sold (COGS) includes Cost of Materials and Components Consumed + Purchases of Stock-in-Trade + Increase / (Decrease) in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	Average Inventory includes Average of Opening and Closing Inventories
<b>f)</b>	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables includes Average of Trade Receivables of Current Year and Previous Year
<b>g)</b>	Trade Payable Turnover Ratio	Purchase includes Purchases of Raw Materials and Components + Stores and Spares + Stock-in-trade	Average Trade Payables includes Average of Trade Payables of Current Year and Previous Year
<b>h)</b>	Net Capital Turnover Ratio	Revenue from Operations	Current Assets - Current Liabilities
<b>i)</b>	Net Profit Ratio	Profit for the year	Revenue from Operations
<b>j)</b>	Return on Capital Employed	Earning before Interest and Taxes (EBIT) includes Profit before Tax + Finance Costs	Capital Employed includes Total Equity + Other Borrowings + Lease Liabilities + Deferred Tax Liabilities - Goodwill - Other Intangible Assets
<b>k)</b>	Return on Investment	Income on Investment includes Interest Income on Investments + Gain on Fair Valuation of Investments through Profit and Loss + Profit/(Loss) on Sale of Current Investments.	Average Investment includes Average of Opening and Closing Investments.

### 43. OTHER STATUTORY INFORMATION

- i. The Company does not have any Benami property, for which any proceeding has been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and Rules made there under.
- ii. The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- iii. The Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.
- iv. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the Tax Assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vii. There are no exceptional items for the year ended 31st March 2023.

## Notes to the Standalone Financial Statements (Contd.)

(₹ in lakhs)

viii. During the previous year, the Company had one transaction with struck off Company, details of which are given below :

Name of the Company	Nature of Transaction	Balance Outstanding as on 31st March 2023	Balance Outstanding as on 31st March 2022	Relationship with the Struck off Company
Bertina Manpower Solution Private Limited *	Manpower Supply	-	4.87	None

\* The amount was paid during the year.

- 44.** Expense for the year ended 31st March 2022 includes provision for Trade Receivables aggregating to ₹ 1,010.13 (reported under "Other expenses"), provision for inventories aggregating to ₹ 507.64 despatched by the Company but yet to be delivered to two customers located in the Mariupol, Ukraine under the terms of underlying contracts [reported under ["(Increase)/Decrease in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress"] and reversal of sales commission aggregating ₹ 138.42 (reported under "Other Expenses") accrued in respect of aforesaid Sales.
- 45.** The Indian Parliament has approved the Code on Social Security, 2020 ('the Code') which, inter alia, deals with Employee Benefits during Employment and post Employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognized post Notification of the relevant Provisions.
- 46.** Previous year figures have been re-grouped / rearranged, where necessary.

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. : 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**

Chairman

(DIN – 00084004)

**James L McIntosh**

Managing Director

(DIN – 09287829)

**Kamal Sarda**

Director and Chief Executive Officer

(DIN – 03151258)

**Mansi Damani**

Company Secretary

(FCS – 6769)

**Amit Agarwal**

Chief Financial Officer

# Independent Auditor's Report

## TO THE MEMBERS OF IFGL REFRACTORIES LIMITED

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of IFGL Refractories Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of the Subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group, as at 31st March 2023, their Consolidated Profit including Other Comprehensive Income, their Consolidated Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date.

#### Basis for Opinion

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

#### Emphasis of Matter

We draw attention to :

- a) Note 38 to the Consolidated Financial Statements, relating to amalgamation of the erstwhile IFGL Refractories Limited with the Holding Company (the amalgamated entity was thereafter renamed as IFGL Refractories Limited) with effect from 1st April 2016 following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide its Order dated 3rd August 2017, under the provisions of Sections 230 and 232 of the Companies Act, 2013 (the "Scheme"). Pursuant to the Scheme, the aforesaid Business Combination was recognized under the 'Purchase Method' as defined under Accounting Standard (AS) 14, Accounting for Amalgamations, and Goodwill arising on such amalgamation aggregating ₹ 26,699.46 lakhs had been recognized. Based on Management's assessment, such Goodwill is being amortized over a period of ten years with a charge of ₹ 2,669.95 lakhs per year. As per Indian Accounting Standard (Ind AS) 103, Business Combinations, the aforesaid amalgamation had to be recognized under 'Pooling of Interest Method' since these were entities under common control.
- b) Note 32(b) to the Consolidated Financial Statements regarding Holding Company's position to continue to determine its Income Tax obligations based on provisions of the Income Tax Act, 1961 that were applicable prior to the introduction of the 'Explanation' to Section 10AA(1) of the Income Tax Act, 1961 with effect from Assessment Years beginning 1st April 2018. The Holding Company has filed a writ petition which has been admitted by the Hon'ble High Court at Calcutta. Pending decision by the Hon'ble High Court, uncertainty exists as regards realisability of resultant recognized Deferred Tax Assets of ₹ 1,203.59 lakhs.

Our opinion is not modified in respect of the above matters.

#### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated

## Independent Auditor's Report (Contd.)

Financial Statements for the Financial Year ended 31st March 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements Section of our Report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the Management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key Audit Matters	How our Audit addressed the Key Audit Matter
<b>Revenue Recognition</b> (as described in Note 23 of the Consolidated Financial Statements)	
<p>Revenue is recognized when the Group satisfies performance obligation by transferring promised goods and services to the customer.</p> <p>Performance obligations are satisfied at a point of time or over a period of time. For the year ended 31st March 2023, the Consolidated Statement of Profit and Loss included Revenues from Operations of ₹ 1,38,650.26 lakhs. The variety of contractual terms, including the timing of control transfer and delivery specifications, create complexity and judgement in determining timing of revenue recognition.</p> <p>We have considered this as a key audit matter on account of judgement involved in determining the timing of revenue of recognition.</p>	<p>Our audit procedures for the Holding Company and audit procedures of respective auditors of the Subsidiary Companies included the following :</p> <ol style="list-style-type: none"> <li>Evaluated the Group's revenue recognition policy to ensure compliance with the requirements of Ind AS 115 'Revenue from Contracts with Customers'.</li> <li>Obtained an understanding of the revenue process and assessed the design and tested the operating effectiveness of internal controls related to timing of revenue recognition.</li> <li>Tested on sample basis the sales transactions including adjustments to sales price made pre and post year end and tested their underlying documents to assess that revenue is recognized in the proper period and in accordance with the Group's Revenue Recognition Policy.</li> <li>Assessed the adequacy of relevant disclosures made in respect of Revenue in the Consolidated Ind AS Financial Statements.</li> </ol>

### Other Information

The Holding Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in Directors' cum Management Discussion and Analysis Report, but does not include the Consolidated Financial Statements and our Auditor's Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such Other Information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance including Other Comprehensive Income, Consolidated Cash Flows and Consolidated Statement of Changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are



## Independent Auditor's Report (Contd.)

reasonable and prudent; and the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of their respective Companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Financial Reporting process of their respective companies.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

## Independent Auditor's Report (Contd.)

We communicate with those charged with governance of the Holding Company and such other Entities included in the Consolidated Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal Control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended 31st March 2023 and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our Report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

We did not audit the Financial Statements and other financial information, in respect of 8 (Eight) Subsidiaries, whose Financial Statements include Total Assets of ₹ 72,679.69 lakhs as at 31st March 2023, Total Revenues of ₹ 63,848.35 lakhs and Net Cash Outflows of ₹ 515.77 lakhs for the year ended on that date. These Financial Statement and other financial information have been audited by other auditors, which Financial Statements, other financial information and Auditor's Reports have been furnished to us by the Management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other Auditors.

Aforesaid Subsidiaries are located outside India whose Financial Statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's Management has converted the Financial Statements of such Subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's Management. Our opinion in so far as it relates to the balances and affairs of such Subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Holding Company and audited by us.

The accompanying Consolidated Financial Statements include unaudited Financial Statements and other unaudited Financial Information in respect of 6 (six) Subsidiaries, whose Financial Statements and other Financial Information reflect Total Assets of ₹ 19,810.94 lakhs as at 31st March 2023, Total Revenues of ₹ 657.52 lakhs and Net Cash Outflows of ₹ 20.98 lakhs for the year ended on that date. These unaudited Financial Statements and other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these Subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid Subsidiaries is based solely on such unaudited Financial Statements and other unaudited Financial Information. In our opinion and according to the information and explanations given to us by the Management, these Financial Statements and Other Financial Information are not material to the Group.

Our opinion above on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements and other financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a Statement on the matters specified in paragraph 3(xxi) of the Order.

## Independent Auditor's Report (Contd.)

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that :
- (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
  - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March 2023 taken on record by the Board of Directors of the Holding Company, none of the Directors of the Holding company, is disqualified as on 31st March 2023 from being appointed as a Director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the Internal Financial Controls with reference to Consolidated Financial Statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**" to this Report;
  - (g) In our opinion, the Managerial Remuneration for the year ended 31st March 2023 has been paid/provided by the Holding Company and one of its subsidiary to Directors of the Holding Company for the service to the Group are in accordance with the provisions of Section 197 read with Schedule V to the Act;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated financial position of the Group, in its Consolidated Financial Statements – Refer Note 32 to the Consolidated Financial Statements;
    - ii. The Group, did not have any material foreseeable losses in Long-Term Contracts including derivative contracts during the year ended 31st March 2023;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March 2023.
    - iv.
      - a) The Management of the Holding Company whose Financial Statements have been audited under the Act have represented to us, to the best of its knowledge and belief, other than as disclosed in the Note 42(iv) to the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b) The respective Managements of the Holding Company whose Financial Statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, other than as disclosed in the Note 42(v) to the Consolidated Financial Statements, no funds have been received by the respective Holding Company from any person(s) or entity(ies), including Foreign Entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

## Independent Auditor's Report (Contd.)

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, whose Financial Statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The Final Dividend paid by the Holding Company incorporated in India during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of Dividend.
- As stated in Note 16.1 to the Consolidated Financial Statements, the Board of Directors of the Holding Company have proposed Final Dividend for the year which is subject to the approval of the members of the Holding Company at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. 1st April 2023 for the Holding Company, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

*Partner*

Membership No. 055596

UDIN : 23055596BGYFSH5557

Kolkata  
27th May 2023

## Independent Auditor's Report (Contd.)

### **"ANNEXURE 1" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE**

#### **Re : IFGL Refractories Limited ("the Holding Company")**

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that :

(xxi) There are no Subsidiary Companies incorporated in India included in the Consolidated Financial Statements. There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) report of the Standalone Financial Statements of the Holding Company. Accordingly, the requirement to Report on Clause 3(xxii) of the Order is not applicable to the Holding Company.

For **S.R. Batliboi & Co. LLP**

*Chartered Accountants*

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

*Partner*

Membership No. 055596

UDIN : 23055596BGYFSH5557

Kolkata

27th May 2023

### **"ANNEXURE 2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF IFGL REFRACTORIES LIMITED**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the Consolidated Financial Statements of IFGL Refractories Limited (hereinafter referred to as the "Holding Company") as of and for the year ended 31st March 2023, we have audited the Internal Financial Controls with reference to Consolidated Financial Statements of the Holding Company, as of that date.

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

The Board of Directors of the Holding Company is responsible for establishing and maintaining Internal Financial Controls based on the Internal Control Over Financial Reporting criteria established by the Holding Company considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Holding Company's Internal Financial Controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

## Independent Auditor's Report (Contd.)

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Consolidated Financial Statements included obtaining an understanding of Internal Financial Controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of Internal Control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal Financial Controls with reference to Consolidated Financial Statements.

### Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A Company's Internal Financial Control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's Internal Financial Control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with Generally Accepted Accounting Principles and that Receipts and Expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's Assets that could have a material effect on the Financial Statements.

### Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

### Opinion

In our opinion, the Holding Company, have, maintained in all material respects, adequate Internal Financial Controls with reference to Consolidated Financial Statements and such Internal Financial Controls with reference to Consolidated Financial Statements were operating effectively as at 31st March 2023, based on the Internal Control over Financial Reporting criteria established by the Holding Company considering the essential components of Internal Control stated in the Guidance Note issued by the ICAI.

Kolkata  
27th May 2023

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**  
Partner

Membership No. 055596  
UDIN : 23055596BGYFSH5557



## Consolidated Balance Sheet as at 31st March 2023

(₹ in lakhs)

	Note No.	As at 31st March 2023	As at 31st March 2022
<b>A. ASSETS</b>			
<b>1. Non-Current Assets :</b>			
(a) Property, Plant and Equipment	4.1	25,894.14	18,040.08
(b) Capital Work-in-Progress	4.3	4,561.51	2,504.41
(c) Goodwill (on consolidation)	5	11,303.16	11,046.50
(d) Goodwill (Others)	5.1	8,474.37	10,679.76
(e) Other Intangible Assets	6	2,033.36	247.55
(f) Right of Use Assets	4.2	2,312.02	2,170.00
(g) Financial Assets :			
(i) Investments	7	1,938.75	1,934.51
(ii) Others	8	635.68	230.40
(h) Income Tax Assets (Net)	10A	1,045.24	477.06
(i) Other Non-Current Assets	11	783.97	760.24
<b>Total Non-Current Assets</b>		<b>58,982.20</b>	<b>48,090.51</b>
<b>2. Current Assets :</b>			
(a) Inventories	12	30,203.93	25,940.48
(b) Financial Assets :			
(i) Investments	7	11,295.99	11,546.28
(ii) Trade Receivables	13	34,983.74	27,202.75
(iii) Cash and Cash Equivalents	14 (A)	5,680.10	11,904.01
(iv) Bank Balances other than (iii) above	14 (B)	119.40	882.98
(v) Others	8	149.34	902.64
(c) Other Current Assets	11	1,178.79	2,138.37
<b>Total Current Assets</b>		<b>83,611.29</b>	<b>80,517.51</b>
<b>Total Assets (1+2)</b>		<b>1,42,593.49</b>	<b>1,28,608.02</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>1. Equity :</b>			
(a) Equity Share Capital	15	3,603.93	3,603.93
(b) Other Equity	16	96,900.66	89,799.03
<b>Attributable to Equity Holders of the Parent</b>		<b>1,00,504.59</b>	<b>93,402.96</b>
Non - Controlling Interest	16	*	*
<b>Total Equity</b>		<b>1,00,504.59</b>	<b>93,402.96</b>
<b>2. Non-Current Liabilities :</b>			
(a) Financial Liabilities			
(i) Borrowings			
(a) Lease Liabilities	4.2	1,044.30	1,014.48
(b) Other Borrowings	17	4,959.51	865.87
(b) Deferred Tax Liabilities (Net)	9	5,181.76	4,782.19
<b>Total Non-Current Liabilities</b>		<b>11,185.57</b>	<b>6,662.54</b>
<b>3. Current Liabilities :</b>			
(a) Financial Liabilities :			
(i) Borrowings			
(a) Lease Liabilities	4.2	121.04	181.95
(b) Other Borrowings	19	9,889.51	7,842.86
(ii) Trade Payables			
Total Outstanding dues of Micro Enterprises and Small Enterprises	20	1,310.49	922.06
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		17,308.45	17,799.71
(iii) Other Financial Liabilities	21	1,152.98	905.30
(b) Income Tax Liabilities (Net)	10B	159.40	182.97
(c) Other Current Liabilities	22	922.13	677.49
(d) Provisions	18	39.33	30.18
<b>Total Current Liabilities</b>		<b>30,903.33</b>	<b>28,542.52</b>
<b>Total Equity and Liabilities (1+2+3)</b>		<b>1,42,593.49</b>	<b>1,28,608.02</b>
* below rounding off norms			
<b>Summary of Significant Accounting Policies</b>			
	1-3		

See accompanying Notes forming part of the Consolidated Financial Statements

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**

Chairman

(DIN – 00084004)

**James L McIntosh**

Managing Director

(DIN – 09287829)

**Kamal Sarda**

Director and Chief Executive Officer

(DIN – 03151258)

**Mansi Damani**

Company Secretary

(FCS – 6769)

**Amit Agarwal**

Chief Financial Officer

## Consolidated Statement of Profit and Loss for the year ended 31st March 2023

(₹ in lakhs)

	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>I. REVENUE FROM OPERATIONS</b>	23	1,38,650.26	1,25,950.06
<b>II. Other Income</b>	24	1,314.93	1,589.17
<b>III. Total Income (I + II)</b>		<b>1,39,965.19</b>	<b>1,27,539.23</b>
<b>IV. EXPENSES :</b>			
(a) Cost of Raw Materials and Components Consumed	25	59,961.48	55,697.92
(b) Purchases of Stock-in-Trade	26	13,285.08	8,607.72
(c) (Increase) / Decrease in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	27	(971.26)	(2,848.75)
(d) Employee Benefit Expenses	28	19,482.92	17,390.66
(e) Finance Costs	29	484.04	340.78
(f) Depreciation and Amortisation Expenses	4.1, 4.2, 5.1 and 6	5,555.48	5,114.33
(g) Other Expenses	30	31,597.56	32,842.90
<b>Total Expenses</b>		<b>1,29,395.30</b>	<b>1,17,145.56</b>
<b>V. PROFIT BEFORE TAX (III - IV)</b>		<b>10,569.89</b>	<b>10,393.67</b>
<b>VI. Income Tax Expense</b>			
(1) Current Tax (Net of adjustments of tax relating to earlier years)	39	2,371.03	3,506.18
(2) Deferred Tax Charge/(Credit)	39	278.29	(860.65)
<b>Total Tax Expense</b>		<b>2,649.32</b>	<b>2,645.53</b>
<b>VII. PROFIT FOR THE YEAR (V - VI)</b>		<b>7,920.57</b>	<b>7,748.14</b>
<b>Other Comprehensive Income :</b>			
<b>A. Other Comprehensive Income not to be reclassified to Profit and Loss in subsequent periods</b>			
(i) Re-measurement Gains on Defined Benefit Plans	28.6	6.00	2.14
(ii) Income Tax relating to above Item	39	(2.10)	(0.75)
<b>B. Other Comprehensive Items that will be reclassified to Profit or Loss</b>			
Exchange Differences on translating the Financial Statements of Foreign Operations	16	1,699.91	208.04
<b>VIII. Other Comprehensive Income for the year, Net of Tax</b>		<b>1,703.81</b>	<b>209.43</b>
<b>IX. Total Comprehensive Income for the year, Net of Tax (VII + VIII)</b>		<b>9,624.38</b>	<b>7,957.57</b>
<b>Profit for the year</b>			
Attributable to :			
- Equity Holders of the Parent		7,920.57	7,748.14
- Non-Controlling Interests		*	*
<b>Other Comprehensive Income for the year</b>			
Attributable to :			
- Equity Holders of the Parent		1,703.81	209.43
- Non-Controlling Interests		-	-
<b>Total Comprehensive Income for the year</b>			
Attributable to :			
- Equity Holders of the Parent		9,624.38	7,957.57
- Non-Controlling Interests		*	*
<b>X. Earnings per Equity Share (Nominal Value of Equity Shares ₹ 10/- each) :</b>			
Basic & Diluted (in ₹)	31	<b>21.98</b>	<b>21.50</b>
* below rounding off norms			
<b>Summary of Significant Accounting Policies</b>	1-3		

See accompanying Notes forming part of the Consolidated Financial Statements

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**  
Chairman  
(DIN – 00084004)

**James L McIntosh**  
Managing Director  
(DIN – 09287829)

**Kamal Sarda**  
Director and Chief Executive Officer  
(DIN – 03151258)

**Mansi Damani**  
Company Secretary  
(FCS – 6769)

**Amit Agarwal**  
Chief Financial Officer



## Consolidated Cash Flow Statement for the year ended 31st March 2023

(₹ in lakhs)

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES :</b>		
<b>Profit before Tax</b>	10,569.89	10,393.67
<b>Adjustments for :</b>		
Finance Costs	484.04	340.78
Interest Income	(188.09)	(349.79)
Liabilities no longer required written back	(631.19)	(367.97)
Net Loss on Sale of Property, Plant and Equipment	19.33	12.61
Loss/(Profit) on Sale of Current Investments	42.32	(66.25)
Unrealised Gain on Fair Valuation of Investments through Profit and Loss	(453.18)	(611.16)
Bad Debts written off [net of write back of allowance for Credit impaired of ₹ 2,358.46 (31st March 2022 : ₹ 941.96)]	18.02	1,071.60
Gain on Lease Modification	-	(64.63)
Depreciation and Amortisation Expenses	5,555.48	5,114.33
Unrealised Foreign Exchange Gain	(290.28)	(34.10)
Effect of change in Foreign Exchange Translation	119.64	658.89
	<b>15,245.98</b>	<b>16,097.98</b>
<b>Changes in Working Capital :</b>		
Increase in Trade and Other Receivables	(8,573.09)	(6,688.40)
Increase in Inventories	(5,734.51)	(9,323.90)
Increase in Trade, Other Payables and Provisions	2,577.89	2,888.23
<b>Net Changes in Working Capital</b>	<b>(11,729.71)</b>	<b>(13,124.07)</b>
<b>Cash Generated from Operations</b>	<b>3,516.27</b>	<b>2,973.91</b>
Income Taxes Paid	(2,886.48)	(2,536.72)
<b>Net Cash Generated from Operating Activities (1)</b>	<b>629.79</b>	<b>437.19</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES :</b>		
Purchase of Investments	(4,118.00)	(5,758.96)
Proceeds from Sale of Investments	4,775.10	5,738.93
Proceeds from Maturity of Term Deposits with Banks	1,505.00	7,128.00
Term Deposits placed with Banks	(1,200.00)	(3,278.00)
Interest Received	295.35	377.02
Loan Given	-	(100.00)
Repayment of Loan Given	55.00	45.00
Purchase of Property, Plant and Equipment, Other Intangible Assets and Capital Work-in-Progress	(13,658.40)	(6,609.92)
Proceeds from Sale of Property, Plant and Equipment (Net)	74.65	54.46
<b>Net Cash used in Investing Activities (2)</b>	<b>(12,271.30)</b>	<b>(2,403.47)</b>

## Consolidated Cash Flow Statement for the year ended 31st March 2023 (Contd.)

	(₹ in lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>CASH FLOWS FROM FINANCING ACTIVITIES :</b>		
Dividend Paid on Equity Shares	(2,522.75)	(3,603.93)
Proceeds from/(Repayment of) Long-Term Borrowings	4,066.49	(312.23)
Proceeds from Short-Term Borrowings (Net)	4,302.66	3,860.08
Payment of Principal portion of Lease Liabilities	(386.07)	(380.73)
Interest Paid	(479.99)	(259.22)
<b>Net Cash Generated from/(Used in) Financing Activities (3)</b>	<b>4,980.34</b>	<b>(696.03)</b>
<b>Exchange Differences on Translation of Foreign Currency (4)</b>	<b>276.84</b>	<b>(191.70)</b>
<b>Net Decrease in Cash and Cash Equivalents (1+2+3+4)</b>	<b>(6,384.33)</b>	<b>(2,854.01)</b>
Cash and Cash Equivalents at the beginning of the year	11,904.01	14,758.02
Cash and Cash Equivalents acquired on Business Combination (Refer Note 41)	160.42	-
<b>Cash and Cash Equivalents at the end of the year [Refer Note 14 (A)]</b>	<b>5,680.10</b>	<b>11,904.01</b>
<b>Refer Note 14.2 for Changes in Liabilities arising from Financing Activities</b>		
<b>Summary of Significant Accounting Policies</b> (Refer Note No. 1-3)		

See accompanying Notes forming part of the Consolidated Financial Statements

In terms of our Report attached.  
 For **S. R. Batliboi & Co. LLP**  
 Chartered Accountants  
 ICAI Firm Registration Number : 301003E/E300005  
 per **Bhaswar Sarkar**  
 Partner  
 Membership No. 055596  
 Kolkata  
 27th May 2023

**Kamal Sarda**  
 Director and Chief Executive Officer  
 (DIN – 03151258)

For and on behalf of the Board of Directors

<b>S K Bajoria</b> Chairman (DIN – 00084004)	<b>James L McIntosh</b> Managing Director (DIN – 09287829)
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**Mansi Damani**  
 Company Secretary  
 (FCS – 6769)

**Amit Agarwal**  
 Chief Financial Officer

## Consolidated Statement of Changes in Equity for the year ended 31st March 2023

(₹ in lakhs)

	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>a. Equity Share Capital (Refer Note 15)</b>				
<b>Issued, Subscribed and Fully Paid up Capital</b>				
Opening and Closing Balance (Equity Share of ₹ 10 per share with Voting Rights)*	3,60,39,312	<b>3,603.93</b>	3,60,39,312	<b>3,603.93</b>

\* There are no changes in number of shares during the year ended 31st March 2023 and 31st March 2022.

	Reserves and Surplus				Other Comprehensive Income (OCI)	Equity attributable to the Equity Holders of Parent	Non-Controlling Interests
	Securities Premium	Retained Earnings	Special Economic Zone Reinvestment Reserve	Special Economic Zone Reinvestment Reserve Utilisation			
<b>b. Other Equity</b>							
Balance as at 31st March 2021	39,747.97	38,378.70	-	-	7,318.72	85,445.39	*
Add : Profit for the year	-	7,748.14	-	-	-	7,748.14	*
Less : Utilised for Dividend Payment (Refer Note 16)	-	(3,603.93)	-	-	-	(3,603.93)	*
Add : Other Comprehensive Income for the year, Net of Tax	-	1.39	-	-	208.04	209.43	*
<b>Balance as at 31st March 2022</b>	<b>39,747.97</b>	<b>42,524.30</b>	<b>-</b>	<b>-</b>	<b>7,526.76</b>	<b>89,799.03</b>	<b>*</b>
Add : Profit for the year	-	7,920.57	-	-	-	7,920.57	*
Less : Utilised for Dividend Payment (Refer Note 16)	-	(2,522.75)	-	-	-	(2,522.75)	-
(Less)/Add : Amount Transferred from Retained Earnings to Special Economic Zone Reinvestment Reserve (Refer Note 16)	-	(1,824.84)	1,824.84	-	-	-	-
(Less)/Add : Amount transferred from Special Economic Zone Reinvestment Reserve to Special Economic Zone Reinvestment Reserve Utilisation (Refer Note 16)	-	-	(1,824.84)	1,824.84	-	-	-
Add : Other Comprehensive Income for the year, Net of Tax	-	3.90	-	-	1,699.91	1,703.81	-
<b>Balance as at 31st March 2023</b>	<b>39,747.97</b>	<b>46,101.18</b>	<b>-</b>	<b>1,824.84</b>	<b>9,226.67</b>	<b>96,900.66</b>	<b>*</b>

\* below rounding off norms

**Summary of Significant Accounting Policies** (Refer Note No. 1-3)

See accompanying Notes forming part of the Consolidated Financial Statements

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**

Chairman

(DIN – 00084004)

**James L McIntosh**

Managing Director

(DIN – 09287829)

**Kamal Sarda**

Director and Chief Executive Officer

(DIN – 03151258)

**Mansi Damani**

Company Secretary

(FCS – 6769)

**Amit Agarwal**

Chief Financial Officer

## Notes to the Consolidated Financial Statements

(₹ in lakhs)

1. The Consolidated Financial Statements (CFS) of the Holding Company (i.e. IFGL Refractories Limited) and its Subsidiaries (together the "Group") have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The Consolidated Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

### 2. PRINCIPLES OF CONSOLIDATION :

2.1 The CFS comprises of the Financial Statements of the Holding Company and its Subsidiary Companies (Group). It has been prepared on the following basis :

- a) The Financial Statements of the Holding Company and its Subsidiaries (listed below in Note 2.2) have been combined on a line-by-line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after adjustments/elimination of Intra Group Balances and Intra Group Transactions and resulting Unrealised Profits/Losses.
- b) The CFS are prepared by adopting uniform accounting policies for like transactions and other events in similar circumstances in all material respect, except as indicated in the Note 3 below and are presented to the extent possible, in the same manner as the Holding Company's Standalone Financial Statements.
- c) The excess of cost to the Holding Company of its Investment in the Subsidiaries (including Step Down Subsidiaries) over the Holding Company's portion of Equity of Subsidiaries at the dates they become Subsidiaries is recognised in the Financial Statements as Goodwill being an Asset in the CFS and is tested for impairment on an annual basis. Goodwill arising on consolidation is tested for impairment.
- d) The translation of functional currencies into Indian Rupees (reporting currency) is performed as follows :  
 For Equity in Foreign Subsidiary (being non-integral operation), Assets and Liabilities using the closing exchange rate at the Balance Sheet date, for Revenues, Costs and Expenses using Average Exchange Rate prevailing during the year. The resultant exchange difference arising out of such translations is recognised as part of Other Equity (Foreign Currency Translation Reserve) by the Group until the disposal of Investment.
- e) Non controlling interest in the Consolidated Financial Statements is identified and recognised after taking into consideration :
  - The amount of Equity attributable to minorities at the date on which Investment in Subsidiary is made.
  - The Minorities' Share of movement in Equity since the date Holding – Subsidiary relationship came into existence.
  - Total Comprehensive Income is attributed to Non-Controlling Interests even if it results in the Non-Controlling Interests having a deficit balance.
- f) Monotec Refratarios Ltda, Tianjin Monocon Refractories Company Limited and Tianjin Monocon Aluminous Refractories Company Limited (Step down Subsidiaries), each has an accounting period end of 31st December 2022. These Subsidiaries have been consolidated using the Financial Statements for the year ended on that date adjusted for movements upto 31st March 2023.

2.2 The Subsidiaries (including Step down Subsidiaries) considered in the CFS are :

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Accounting Year Ended
IFGL Worldwide Holdings Limited (IWHL)	Isle of Man	100%	31st March
<b>Step Down Subsidiaries</b>			
IFGL Monocon Holdings Limited (IMHL)	United Kingdom (UK)	100%	31st March
Tianjin Monocon Refractories Company Limited (TMRL)	Peoples Republic of China	100%	31st December
Tianjin Monocon Aluminous Refractories Company Limited (TMARL)		100%	31st December
Monotec Refratarios Ltda (MRL)	Brazil	95%	31st December

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

Name of the Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Accounting Year Ended
Monocon International Refractories Limited (MIRL)	UK	100%	31st March
Monocon Overseas Limited (MOL)		100%	31st March
Goricon Metallurgical Services Limited (GMSL)		100%	31st March
Sheffield Refractories Limited (SRL)		100%	31st March
Mono Ceramics Inc (MCI)	United States of America (USA)	100%	31st March
IFGL GmbH (IG)	Germany	100%	31st March
Hofmann Ceramic GmbH (HCG)		100%	31st March
Hofmann Ceramic CZ s.r.o. (HCC)	Czech Republic	98.78%	31st March
IFGL Inc (IFGL INC)	USA	100%	31st March
EI Ceramics LLC (EIC LLC)		100%	31st March

3. Significant Accounting Policies adopted for the Subsidiaries are same as followed by the Holding Company as indicated in Note 2 and 3 of the Holding Company's Standalone Financial Statements for the year ended 31st March 2023.

### 3.1 Business Combinations

Business Combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date Fair Value.

The Group determines that it has acquired a business when the acquired set of activities and Assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable Assets acquired, and the Liabilities assumed are recognised at their acquisition date Fair Values.

Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right. When the Group acquires a business, it assesses the Financial Assets and Liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at Cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the Net identifiable Assets acquired and Liabilities assumed. If the fair value of the Net Assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the Assets acquired and all of the Liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

After initial recognition, Goodwill is measured at Cost less any accumulated impairment losses. For the purpose of impairment testing, Goodwill acquired in a Business Combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other Assets or Liabilities of the acquiree are assigned to those units.

A cash generating unit to which Goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the Cash generating unit is less than its Carrying Amount, the impairment loss is allocated first to reduce the Carrying Amount of any Goodwill allocated to the unit and then to the Other Assets of the unit pro rata based on the Carrying Amount of each Asset in the unit. Any impairment loss for Goodwill is recognised in Profit or Loss. An impairment loss recognised for Goodwill is not reversed in subsequent periods.

Where Goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the Goodwill associated with the disposed operation is included in the Carrying Amount of the operation when determining the Gain or Loss on Disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

Any Goodwill arising in the Acquisition/Business Combination of a Foreign Operation and any Fair Value adjustments to the Carrying Amounts of Assets and Liabilities arising on the acquisition are treated as Assets and Liabilities of the Foreign Operation and translated at the spot rate of exchange at the reporting date.

The Cost of Intangible Assets acquired in a Business Combination is their Fair Value at the date of acquisition.

### Brand Name/Trademarks

Brand Name/Trademarks acquired on account of Business Combination has useful life of 5 years.

### Customer Relation

Customer Relation acquired on account of Business Combination has useful life of 5 years.

	As at 31st March 2023	As at 31st March 2022
<b>4.1. PROPERTY, PLANT AND EQUIPMENT :</b>		
<b>Net Carrying Amount :</b>		
Land (Freehold)	2,331.73	1,758.51
Buildings	9,647.52	6,875.08
Plant and Equipment	12,968.39	8,842.46
Furniture and Fixtures	183.25	72.71
Leasehold Improvements	8.94	8.94
Vehicles	531.62	350.37
Office Equipments	161.51	78.23
Computers	61.18	53.78
<b>Total</b>	<b>25,894.14</b>	<b>18,040.08</b>

	As at 31st March 2021	Additions	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2022	Addition towards Business Combination (Refer Note 41)	Additions	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2023
<b>Gross Carrying Amount</b>										
Land (Freehold)	1,750.03	-	-	8.48	1,758.51	546.81	-	(33.86)	60.27	2,331.73
Buildings	8,645.55	2,005.94	(26.29)	75.52	10,700.72	745.65	2,201.15	(7.87)	409.40	14,049.05
Plant and Equipment	24,487.89	3,211.34	(464.72)	125.80	27,360.31	509.03	5,363.67	(531.46)	729.05	33,430.60
Furniture and Fixtures	471.07	15.82	(0.76)	1.66	487.79	3.30	127.58	(5.89)	14.59	627.37
Leasehold Improvements	48.91	-	-	-	48.91	-	-	-	-	48.91
Vehicles	785.73	80.92	(6.89)	9.34	869.10	65.33	348.82	(85.86)	26.19	1,223.58
Office Equipments	441.20	46.12	(75.67)	(1.59)	410.06	1.87	158.39	(1.08)	19.43	588.67
Computers	567.61	42.92	(4.33)	(1.25)	604.95	120.66	38.71	(21.50)	17.27	760.09
<b>Total</b>	<b>37,197.99</b>	<b>5,403.06</b>	<b>(578.66)</b>	<b>217.96</b>	<b>42,240.35</b>	<b>1,992.65</b>	<b>8,238.32</b>	<b>(687.52)</b>	<b>1,276.20</b>	<b>53,060.00</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2021	Charge for the year	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2022	Addition towards Business Combination (Refer Note 41)	Charge for the year	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2023
<b>Depreciation</b>										
Land (Freehold)	-	-	-	-	-	-	-	-	-	-
Buildings	3,557.27	265.56	(18.88)	21.69	3,825.64	5.27	371.96	(8.13)	206.79	4,401.53
Plant and Equipment	17,111.33	1,683.45	(390.59)	113.66	18,517.85	20.74	1,921.20	(451.78)	454.20	20,462.21
Furniture and Fixtures	394.86	19.70	(0.70)	1.22	415.08	2.92	15.88	(1.57)	11.81	444.12
Leasehold Improvements	39.97	-	-	-	39.97	-	-	-	-	39.97
Vehicles	432.17	83.44	(4.59)	7.71	518.73	61.74	136.93	(45.85)	20.41	691.96
Office Equipments	372.27	33.30	(73.16)	(0.58)	331.83	1.83	77.19	(0.68)	16.99	427.16
Computers	529.13	27.84	(4.12)	(1.68)	551.17	113.73	37.19	(21.50)	18.32	698.91
<b>Total</b>	<b>22,437.00</b>	<b>2,113.29</b>	<b>(492.04)</b>	<b>142.02</b>	<b>24,200.27</b>	<b>206.23</b>	<b>2,560.35</b>	<b>(529.51)</b>	<b>728.52</b>	<b>27,165.86</b>

### Notes :

- a) The details of Property, Plant and Equipment hypothecated against Other Borrowings are presented in Note 17 and 19.
- b) On transition to Ind AS (i.e. 1st April 2017), the Group had elected to continue with Carrying Value of all Property, Plant and Equipment measured as per the previous GAAP and use that Carrying Value as the deemed cost of Property, Plant and Equipment.

### 4.2 RIGHT OF USE ASSETS AND LEASE LIABILITIES

#### As a Lessee :

The Group has lease contracts for premises used for its operations with lease terms upto 90 years that are recognised as Right of Use Assets. The Group also has certain leases with lease terms of 12 months or less. The Group applies the 'Short-Term Lease' recognition exemption for these leases.

#### Set out below are the Carrying Amounts of Right of Use Assets recognised and the movements during the period :

	As at 31st March 2023	As at 31st March 2022
<b>Leasehold Land</b>		
Opening	2,170.00	2,029.73
Add : Additions	350.93	411.83
Add : Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	10.20	5.22
Less : Amortisation Expense	219.11	276.78
<b>Closing</b>	<b>2,312.02</b>	<b>2,170.00</b>

#### Set out below are the Carrying Amounts of Lease Liabilities (measured at Amortised Cost) and the movements during the period :

	As at 31st March 2023	As at 31st March 2022
Opening	1,196.43	1,213.03
Additions	350.93	411.83
Accretion of Interest	4.05	81.56
Reversal on modification of Lease	-	(64.63)
Payments	(386.07)	(445.36)
<b>Closing</b>	<b>1,165.34</b>	<b>1,196.43</b>
Non-Current	1,044.30	1,014.48
Current	121.04	181.95

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

**The effective Interest Rate for Lease Liabilities is 9% p.a with maturities ranging upto 90 years.**

	<b>As at 31st March 2023</b>	As at 31st March 2022
Amortisation Expense of Right of Use Assets	219.11	276.78
Interest Expense on Lease Liabilities (Refer Note 29)	4.05	81.56
Expense relating to Short-Term Leases (Refer Note 30)	672.24	354.36
<b>Total amount recognised in Statement of Consolidated Profit and Loss</b>	<b>895.40</b>	<b>712.70</b>

**Lease deeds of all Right of Use Assets of Holding Company are held in its name, except for the following :**

Description of Property	Gross Carrying Value (₹ in lakhs)	Net Carrying Value (₹ in lakhs)	Held in Name of	Whether Promoter, Director or their Relative or Employee	Period held from	Reason for not being held in the Name of Holding Company
Leasehold Land #	59.45	53.80	Indo Flogates Limited	No	28th June 1989	Lease deeds are in names of erstwhile Companies that were merged with the Holding Company under relevant provisions of the Companies Act, 1956/2013 in terms of approval of the Honorable High Courts respective States and Honorable National Company Law Tribunal, Kolkata Bench.
Leasehold Land #	44.81	40.56	Indo Flogates Limited	No	16th August 1988	
Leasehold Land #	42.22	38.21	Indo Flogates Limited	No	3rd March 1987	
Leasehold Land #	75.73	68.53	Indo Flogates Limited	No	30th January 1989	
Leasehold Land #	44.27	40.06	Indo Flogates Limited	No	3rd March 1987	
Leasehold Land	143.85	130.19	Indo Flogates Limited	No	1st February 1992	
Leasehold Land	11.77	10.65	Indo Flogates Limited	No	20th August 1992	

# The Immovable properties as stated above are pledged with a Bank.

	<b>As at 31st March 2023</b>	As at 31st March 2022
<b>4.3 CAPITAL WORK-IN-PROGRESS</b>		
Carrying amount at the beginning of the year	2,504.41	2,207.42
Add : Additions during the year	10,295.42	5,700.05
Less : Capitalised during the year	8,238.32	5,403.06
<b>Carrying amount at the end of the year</b>	<b>4,561.51</b>	<b>2,504.41</b>

### Amount in CWIP for a period of

Capital Work-in-Progress ageing schedule for Project in progress :	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Capital Work-in-Progress</b>					
<b>As at 31st March 2023</b>	<b>4,106.46</b>	<b>376.56</b>	-	<b>78.49</b>	<b>4,561.51</b>
<b>As at 31st March 2022</b>	<b>2,302.36</b>	<b>15.39</b>	<b>131.76</b>	<b>54.90</b>	<b>2,504.41</b>

**Notes :**

There are no projects whose completion are over due or has exceeded its cost compared to its original plan for both the reporting period.



## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

There are no projects as on 31st March 2023 and 31st March 2022 where activity has been temporarily suspended other than as disclosed below :

Project temporarily Suspended	Amount in CWIP for a period of					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Capital Work-in-Progress						
Project in Germany						
As at 31st March 2023	-	-	-	78.49		78.49
As at 31st March 2022	13.26	-	19.21	54.90		87.37

	As at 31st March 2023	As at 31st March 2022
<b>5. GOODWILL (ON CONSOLIDATION)</b>		
Balance at the beginning of the year	11,046.50	11,192.05
Add/(Less) : Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	256.66	(145.55)
<b>Balance at the end of the year</b>	<b>11,303.16</b>	<b>11,046.50</b>

	As at 31st March 2023	As at 31st March 2022
<b>5.1 GOODWILL (OTHER) :</b>		
<b>Net Carrying Amount :</b>		
Goodwill (arising on Merger)*	8,009.81	10,679.76
Goodwill (addition towards Business Combination) **	464.56	-
<b>Total</b>	<b>8,474.37</b>	<b>10,679.76</b>

	As at 31st March 2021	Additions	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/ (Loss)]	As at 31st March 2022	Additions	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/ (Loss)]	As at 31st March 2023
<b>Gross Carrying Amount</b>									
Goodwill (arising on Merger)*	26,699.46	-	-	-	26,699.46	-	-	-	26,699.46
Goodwill (addition towards Business Combination) **	-	-	-	-	-	443.95	-	20.61	464.56
<b>Total</b>	<b>26,699.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,699.46</b>	<b>443.95</b>	<b>-</b>	<b>20.61</b>	<b>27,164.02</b>

	As at 31st March 2021	Charge for the year	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2022	Charge for the year	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2023
<b>Amortisation</b>									
Goodwill (arising on Merger)*	13,349.75	2,669.95	-	-	16,019.70	2,669.95	-	-	18,689.65
Goodwill (addition towards Business Combination) **	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>13,349.75</b>	<b>2,669.95</b>	<b>-</b>	<b>-</b>	<b>16,019.70</b>	<b>2,669.95</b>	<b>-</b>	<b>-</b>	<b>18,689.65</b>

\*Refer Note 38

\*\*Refer Note 41

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>6. OTHER INTANGIBLE ASSETS :</b>		
<b>Net Carrying amount :</b>		
Computer Software	74.75	91.13
Brand Name/Trademarks (Refer Note 41)	1,372.58	-
Customer Relation (Refer Note 41)	443.76	-
Intellectual Property Rights (Technical Know-how) Refer Note 6.1	142.27	156.42
<b>Total</b>	<b>2,033.36</b>	<b>247.55</b>

	As at 31st March 2021	Additions	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2022	Additions	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2023
<b>Gross Carrying Amount</b>									
Computer Software	333.25	84.02	(11.69)	(1.81)	403.77	32.99	-	4.95	441.71
Brand Name/Trademarks (Refer Note 41)	-	-	-	-	-	1,333.96	-	61.88	1,395.84
Customer Relation (Refer Note 41)	-	-	-	-	-	431.27	-	20.01	451.28
Intellectual Property Rights (Technical Know-how) Refer Note 6.1	527.24	-	-	(6.09)	521.15	4.75	-	16.41	542.31
<b>Total</b>	<b>860.49</b>	<b>84.02</b>	<b>(11.69)</b>	<b>(7.90)</b>	<b>924.92</b>	<b>1,802.97</b>	<b>-</b>	<b>103.25</b>	<b>2,831.14</b>

	As at 31st March 2021	Charge for the year	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2022	Charge for the year	Discard/ Disposals	Effect of Foreign Currency Exchange Differences [Gain/(Loss)]	As at 31st March 2023
<b>Amortisation</b>									
Computer Software	295.01	30.90	(11.69)	(1.58)	312.64	50.10	-	4.22	366.96
Brand Name/Trademarks (Refer Note 41)	-	-	-	-	-	22.23	-	1.03	23.26
Customer Relation (Refer Note 41)	-	-	-	-	-	7.19	-	0.33	7.52
Intellectual Property Rights (Technical Know-how) Refer Note 6.1	344.14	23.41	-	(2.82)	364.73	26.55	-	8.76	400.04
<b>Total</b>	<b>639.15</b>	<b>54.31</b>	<b>(11.69)</b>	<b>(4.40)</b>	<b>677.37</b>	<b>106.07</b>	<b>-</b>	<b>14.34</b>	<b>797.78</b>

**6.1** Technical Know-how represents Technical Drawings, Designs etc. relating to manufacture of the Group's products and acquired pursuant to various agreements conferring the right to usage only.

**Note :**

On transition to Ind AS (i.e. 1st April 2017), the Group had elected to continue with Carrying Value of Other Intangible Assets measured as per the previous GAAP and use that Carrying Value as the Deemed Cost of Other Intangible Assets.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023			As at 31st March 2022		
	QTY (Number)	Current	Non- Current	QTY (Number)	Current	Non- Current
<b>7. INVESTMENTS</b>						
<b>At Fair Value Through Profit and Loss (FVTPL)</b>						
<b>Quoted*(Fully Paid)</b>						
<b>Investment in Mutual Funds</b>						
- Aditya Birla Sun Life Short Term Fund-Direct Plan-Growth Option	2,62,136	112.11	-	2,62,136	106.27	-
- Aditya Birla Sun Life Money Manager Fund-Direct Plan-Growth Option	5,01,344	1,585.22	-	-	-	-
- Axis Banking and PSU Debt Fund-Direct Plan-Growth Option	-	-	-	24,635	538.78	-
- Axis Short Term Fund-Direct Plan-Growth Option	-	-	-	68,98,897	1,840.83	-
- HDFC Corporate Bond Fund-Direct Plan-Growth Option	-	-	-	19,86,298	526.00	-
- ICICI Prudential Equity Savings Fund-Direct Plan Cumulative	62,70,081	1,210.13	-	62,70,081	1,139.27	-
- ICICI Prudential Banking and PSU Debt Fund-Direct Plan-Growth Option	23,64,462	673.77	-	23,64,462	636.52	-
- ICICI Prudential Short Term Fund-Direct Plan-Growth Option	12,05,854	655.60	-	12,05,854	615.53	-
- Bandhan Banking and PSU Debt Fund-Direct Plan-Growth Option	52,93,345	1,130.28	-	52,93,345	1,079.39	-
- IDFC Bond Fund-Short Term Plan-Direct Plan-Growth Option	-	-	-	10,38,464	508.81	-
- Bandhan Corporate Bond Fund-Direct Plan-Growth Option	66,65,694	1,106.65	-	66,65,694	1,069.19	-
- Kotak Bond Short Term Plan-Direct Plan-Growth Option	11,78,365	562.36	-	11,78,365	538.46	-
- Kotak Corporate Bond Fund-Direct Plan-Growth Option	31,125	1,019.73	-	31,125	975.11	-
- Kotak Debt Hybrid Fund-Direct Plan-Growth Option	4,57,060	229.15	-	4,57,060	217.48	-
- Kotak Equity Arbitrage Fund-Direct Plan-Growth Option	16,46,328	552.32	-	16,46,328	521.38	-
- Kotak Equity Savings Fund -Direct Plan-Growth Option	16,55,067	347.28	-	16,55,067	326.32	-
- SBI Liquid Fund-Direct Plan-Growth Option	38,819	1,367.71	-	-	-	-
<b>Investments in Bonds</b>						
- Government of India (GOI) Bond	85,600	-	92.88	85,600	-	99.24
- SBI Perpetual Bond-(8.5%)	50	-	516.87	50	-	518.88
- SBI Perpetual Bond-(8.75%)	30	-	312.75	30	-	310.17
- SBI Perpetual Bond-(7.72%)	10	-	1,016.25	10	-	1,006.22
<b>Investment in Other Instruments</b>						
- Indigrid Invit	1,88,811	253.03	-	1,88,811	278.78	-
- Powergrid Invit	2,22,000	272.22	-	2,22,000	298.32	-
- ICICI Prudential Long Short Fund	1,99,990	218.43	-	1,99,990	208.03	-
- Edelweiss Crossover Opportunities Fund	-	-	-	9,52,679	121.81	-
<b>TOTAL INVESTMENTS CARRIED AT FVTPL</b>		<b>11,295.99</b>	<b>1,938.75</b>		<b>11,546.28</b>	<b>1,934.51</b>
<b>TOTAL INVESTMENTS CARRYING VALUE</b>		<b>11,295.99</b>	<b>1,938.75</b>		<b>11,546.28</b>	<b>1,934.51</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023			As at 31st March 2022		
	QTY (Number)	Current	Non- Current	QTY (Number)	Current	Non- Current
<b>Other Disclosures</b>						
Aggregate amount of Quoted Investments		11,295.99	1,938.75		11,546.28	1,934.51
Aggregate Market Value of Quoted Investments		11,295.99	1,938.75		11,546.28	1,934.51

\* Quoted includes repurchase price of Mutual Fund Units.

	As at 31st March 2023		As at 31st March 2022	
	Current	Non-Current	Current	Non-Current
<b>8. FINANCIAL ASSETS - OTHERS</b>				
<b>Unsecured, Considered Good</b>				
<b>At Amortised Cost</b>				
(a) Bank Deposits with more than 12 months maturity	-	400.00	-	-
(b) Interest Accrued on Deposits	8.05	-	115.31	-
(c) Advance to Gratuity Fund (Refer Note 28.6 and 35)	-	-	11.54	-
(d) Loan	-	-	55.00	-
(e) Claims Receivable	9.18	-	5.34	-
(f) Security Deposits	59.62	235.68	79.33	230.40
(g) Export Incentive Receivables	72.49	-	636.12	-
<b>Total</b>	<b>149.34</b>	<b>635.68</b>	<b>902.64</b>	<b>230.40</b>

### 9. DEFERRED TAX LIABILITIES (NET) :

#### A. Components of Deferred Tax Assets and Liabilities as at 31st March 2023 is as below :

	Balance as at 1st April 2022	Recognised/ (Reversed) in Statement of Profit and Loss	Exchange Difference Recognised/ (Reversed) in Balance Sheet	Balance as at 31st March 2023
<b>Deferred Tax Assets</b>				
Expenses Allowable on payment basis and Allowance for Doubtful Debts	914.04	(673.93)	-	240.11
Unrealised Profit on Unsold Stocks and Capital Goods	37.39	2.82	-	40.21
Others	31.46	(8.32)	-	23.14
<b>Sub-total (A)</b>	<b>982.89</b>	<b>(679.43)</b>	<b>-</b>	<b>303.46</b>
<b>Deferred Tax Liabilities</b>				
Excess of book WDV of Property, Plant and Equipment, Intangible Assets and Right of Use Assets over WDV for Income Tax purposes	4,940.52	(425.48)	-	4,515.04
Unrealised Gain on Fair valuation of Investment carried at FVTPL	280.37	65.92	-	346.29
Others	544.19	(39.48)	119.18	623.89
<b>Sub-total (B)</b>	<b>5,765.08</b>	<b>(399.04)</b>	<b>119.18</b>	<b>5,485.22</b>
<b>Net Deferred Tax Liabilities* (A - B)</b>	<b>(4,782.19)</b>	<b>(280.39)</b>	<b>(119.18)</b>	<b>(5,181.76)</b>

\* Also Refer Note 32(a)

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>Deferred Tax related to items recognised to OCI (included above) during the year :</b>		
Re-measurement Gains on Defined Benefit Plans	(2.10)	(0.75)
<b>Total</b>	<b>(2.10)</b>	<b>(0.75)</b>

### B. Components of Deferred Tax Assets and Liabilities as at 31st March 2022 is as below :

	Balance as at 1st April 2021	Recognised/ (Reversed) in Statement of Profit and Loss	Exchange Difference Recognised/ (Reversed) in Balance Sheet	Balance as at 31st March 2022
<b>Deferred Tax Assets</b>				
Expenses Allowable on payment basis and Allowance for Doubtful Debts	575.76	338.28	-	914.04
MAT Credit Entitlement	1,016.97	-	(1,016.97)	-
Unrealised Profit on Unsold Stocks and Capital Goods	54.18	(16.79)	-	37.39
Others	31.91	(0.45)	-	31.46
<b>Sub-total (A)</b>	<b>1,678.82</b>	<b>321.04</b>	<b>(1,016.97)</b>	<b>982.89</b>
<b>Deferred Tax Liabilities</b>				
Excess of book WDV of Property, Plant and Equipment, Intangible Assets and Right of Use Assets over WDV for Income Tax purposes	5,824.98	(884.46)	-	4,940.52
Unrealised Gain on Fair Valuation of Investment carried at FVTPL	74.12	206.25	-	280.37
Others	359.38	139.34	45.47	544.19
<b>Sub-total (B)</b>	<b>6,258.48</b>	<b>(538.87)</b>	<b>45.47</b>	<b>5,765.08</b>
<b>Net Deferred Tax Liabilities* (A - B)</b>	<b>(4,579.66)</b>	<b>859.91</b>	<b>(1,062.44)</b>	<b>(4,782.19)</b>

\* Also Refer Note 32(a)

	As at 31st March 2023	As at 31st March 2022
<b>10A. INCOME TAX ASSETS (NET)</b>		
Advance Income Tax (Net of Provisions)	1,045.24	477.06
<b>Total</b>	<b>1,045.24</b>	<b>477.06</b>

	As at 31st March 2023	As at 31st March 2022
<b>10B. INCOME TAX LIABILITIES (NET)</b>		
Provision for Income Tax (Net of Advance Tax)	159.40	182.97
<b>Total</b>	<b>159.40</b>	<b>182.97</b>

#### Income Tax Expense/(Benefits)

The Holding Company is subject to Income Tax in India on the basis of Standalone Financial Statements. As per the Income Tax Act, the Holding Company is liable to pay Income Tax which is the higher of regular Income Tax Payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023		As at 31st March 2022	
	Current	Non-Current	Current	Non-Current
<b>11. OTHER ASSETS</b>				
<b>Unsecured, Considered Good</b>				
(a) Capital Advances	-	729.57	-	725.86
(b) Advances to Suppliers	366.73	-	618.52	-
(c) Balances with Government Authorities (other than Income Tax)	534.58	54.40	812.90	34.38
(d) Pre payments	264.62	-	466.33	-
(e) Advances to Employees for Expenses	12.86	-	240.62	-
<b>Total</b>	<b>1,178.79</b>	<b>783.97</b>	<b>2,138.37</b>	<b>760.24</b>

	As at	As at
	31st March 2023	31st March 2022
<b>12. INVENTORIES :</b>		
a) Raw Materials and Components	14,417.33	11,451.56
b) Work-in-Progress	3,296.11	2,782.10
c) Finished Goods (Refer Note 43)	7,272.38	7,512.61
d) Stock-in-Trade	1,686.21	867.36
e) Stores and Spares	3,531.90	3,326.85
<b>Total</b>	<b>30,203.93</b>	<b>25,940.48</b>
<b>Goods-in-Transit Included above :</b>		
i) Raw Materials and Components	471.08	2,142.00
ii) Finished Goods	1,691.77	2,141.93
iii) Stock-in-Trade	739.46	646.30
<b>Total</b>	<b>2,902.31</b>	<b>4,930.23</b>

12.1 Inventories are hypothecated against the Other Borrowings of the Holding Company as referred in Note 17 and Note 19.

	As at	As at
	31st March 2023	31st March 2022
<b>13. TRADE RECEIVABLES :</b>		
<b>Unsecured-At Amortised Cost</b>		
a) Trade Receivables Considered Good	34,983.74	27,202.75
b) Trade Receivables-which have significant increase in Credit Risk (Refer Note 43)	643.50	3,001.96
Less : Allowance for Bad and Doubtful Debts	(643.50)	(3,001.96)
<b>Total</b>	<b>34,983.74</b>	<b>27,202.75</b>

13.1 Trade Receivables are Non Interest Bearing.

13.2 No trade or Other Receivables are due from Directors or other Officers of the Group either severally or jointly with any other person, nor any Trade or Other Receivables are due from Firms or Private Companies respectively in which any Director is a Partner, a Director or a Member.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### 13.3 Trade Receivables ageing schedule :

As at 31st March 2023	Outstanding for following periods from Invoice Date					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables – Considered Good	31,043.59	2,848.69	1,041.64	47.46	2.36	<b>34,983.74</b>
ii) Undisputed Trade Receivables – which have significant increase in Credit Risk	117.48	12.01	260.22	88.92	164.87	<b>643.50</b>

As at 31st March 2022	Outstanding for following periods from Invoice Date					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
i) Undisputed Trade Receivables – Considered Good	25,315.44	1,563.36	86.84	184.82	52.29	<b>27,202.75</b>
ii) Undisputed Trade Receivables – which have significant increase in Credit Risk	876.32	226.87	254.89	219.03	1,424.85	<b>3,001.96</b>

There are no unbilled Receivables, hence the same is not disclosed in the ageing schedule.

	As at 31st March 2023	As at 31st March 2022
<b>14. CASH AND BANK BALANCES :</b>		
<b>A) Cash and Cash Equivalents</b>		
<b>a) Balances with Banks</b>		
– In Current Accounts	4,833.43	11,879.79
<b>b) Remittance in Transit</b>	822.76	-
<b>c) Cash on Hand</b>	23.91	24.22
<b>Total</b>	<b>5,680.10</b>	<b>11,904.01</b>
<b>B) Bank Balances other than (A) above</b>		
<b>a) Deposits with original maturity beyond 3 months but not exceeding 12 months</b>	-	705.00
<b>b) Unclaimed Dividend Accounts (Refer Note 14.1)</b>	119.40	114.88
<b>c) Unspent Corporate Social Responsibility (Refer Note 30.1)</b>	-	63.10
<b>Total</b>	<b>119.40</b>	<b>882.98</b>

**14.1** Balances in Unclaimed Dividend Account can be utilised by the Holding Company only towards settlement of the respective Unpaid Dividend or to Investor Education and Protection Fund in accordance with law.

### 14.2 Changes in Liabilities arising from Financing Activities

	Other Borrowings	Lease Liabilities
As at 1st April 2022	8,708.73	1,196.43
Add/(Less) : Cash Flow Changes	8,369.15	(386.07)
(Less)/Add : Other Changes	(2,228.86)	354.98
<b>As at 31st March 2023</b>	<b>14,849.02</b>	<b>1,165.34</b>
<b>Changes in Liabilities arising from Financing Activities</b>		
As at 1st April 2021	5,156.80	1,213.03
Add/(Less) : Cash Flow Changes	3,547.85	(380.73)
Add : Other Changes	4.08	364.13
<b>As at 31st March 2022</b>	<b>8,708.73</b>	<b>1,196.43</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	Amount	Number of Shares	Amount
<b>15. EQUITY SHARE CAPITAL :</b>				
<b>Authorised Share Capital :</b>				
Opening and Closing Balance (Equity Share of ₹ 10 per Share with Voting Rights)	4,30,00,000	<b>4,300.00</b>	4,30,00,000	<b>4,300.00</b>
5% Redeemable Preference Shares of ₹ 100 each Opening and Closing Balance (Preference Share of ₹ 100 per Share)	20,00,000	<b>2,000.00</b>	20,00,000	<b>2,000.00</b>
<b>Issued, Subscribed and Fully Paid up Capital</b>				
Opening and Closing Balance (Equity Share of ₹ 10 per Share with Voting Rights)*	3,60,39,312	<b>3,603.93</b>	3,60,39,312	<b>3,603.93</b>

\* There are no changes in Number of Shares during the year ended 31st March 2023 and 31st March 2022.

### 15.1 Share issued pursuant to the Scheme of Amalgamation

Pursuant to the Scheme of Amalgamation as detailed in Note 38, the Holding Company has issued and allotted 3,46,10,472 Equity Shares of ₹ 10 each fully paid and 14,87,160 Equity Shares of the Holding Company of ₹ 10 each fully paid held by erstwhile IFGL Refractories Limited have got cancelled on 18th September 2017.

### 15.2 Terms/ Rights attached to Equity Shares

The Holding Company has only one class of Equity Shares having face value of ₹ 10 each. Each holder of such shares is entitled to 1 vote per share. In the event of liquidation of the Holding Company, the Equity Shareholders will be entitled to receive the remaining Assets of the Holding Company, after distribution of all preferential amounts, in proportion to their shareholding. The Holding Company in their General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board of Directors of the Holding Company.

### 15.3 Shares held by the Holding Company and Subsidiaries of the Holding Company

Name of the Shareholders	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% Holding	Number of Shares	% Holding
Bajoria Financial Services Private Limited-Holding Company	1,84,54,353	51.21	1,84,54,353	51.21
Bajoria Enterprises Limited (BEL)-Fellow Subsidiary	270	* 0.00	270	* 0.00

\* below rounding off norms

### 15.4 Details of Shareholders holding more than 5% of aggregate Shares in the Holding Company

Name of the Shareholders	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% Holding	Number of Shares	% Holding
Bajoria Financial Services Private Limited	1,84,54,353	51.21	1,84,54,353	51.21
Krosaki Harima Corporation, Japan-Foreign Promoter of the Company	55,90,156	15.51	55,90,156	15.51
HDFC Small Cap Fund	26,38,672	7.32	26,38,672	7.32



## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### 15.5 Details of shares held by Promoters (Equity Shares of ₹ 10 each fully paid) :

Promoter Name @	Number of Equity Shares at the beginning of the year	Number of Equity Shares at the end of the year	% of Total Shares
<b>As at 31st March 2023</b>			
Shishir Kumar Bajoria	14,81,642	14,81,642	4.11%
S K Bajoria HUF (Shishir Kumar Bajoria)	3,14,995	3,14,995	0.87%
Smita Bajoria	44,613	44,613	0.12%
Mihir Prakash Bajoria	2,18,745	2,18,745	0.61%
Bajoria Financial Services Private Limited	1,84,54,353	1,84,54,353	51.21%
Bajoria Enterprises Limited	270	270	*0.00%
Krosaki Harima Corporation	55,90,156	55,90,156	15.51%
<b>Total</b>	<b>2,61,04,774</b>	<b>2,61,04,774</b>	<b>72.43%</b>
<b>As at 31st March 2022</b>			
Shishir Kumar Bajoria	14,81,642	14,81,642	4.11%
S K Bajoria HUF (Shishir Kumar Bajoria)	3,14,995	3,14,995	0.87%
Smita Bajoria	44,613	44,613	0.12%
Mihir Prakash Bajoria	2,18,745	2,18,745	0.61%
Bajoria Financial Services Private Limited	1,84,54,353	1,84,54,353	51.21%
Bajoria Enterprises Limited	270	270	*0.00%
Krosaki Harima Corporation	55,90,156	55,90,156	15.51%
<b>Total</b>	<b>2,61,04,774</b>	<b>2,61,04,774</b>	<b>72.43%</b>

\* below rounding off norms

@ Promoter here means Promoter as defined in the Companies Act, 2013.

There is no change in Shareholding of the Promoters during the year ended 31st March 2023 and 31st March 2022.

	Reserves and Surplus				Other Comprehensive Income (OCI)	Equity attributable to the Equity Holders of Parent	Non-Controlling Interest
	Securities Premium	Retained Earnings	Special Economic Zone Reinvestment Reserve	Special Economic Zone Reinvestment Reserve Utilisation			
<b>16. OTHER EQUITY :</b>							
Balance as at 31st March 2021	39,747.97	38,378.70	-	-	7,318.72	85,445.39	*
Add : Profit for the year	-	7,748.14	-	-	-	7,748.14	*
Less : Utilised for Dividend Payment	-	(3,603.93)	-	-	-	(3,603.93)	*
Add : Other Comprehensive Income for the year	-	1.39	-	-	208.04	209.43	*
<b>Balance as at 31st March 2022</b>	<b>39,747.97</b>	<b>42,524.30</b>	<b>-</b>	<b>-</b>	<b>7,526.76</b>	<b>89,799.03</b>	<b>*</b>
Add : Profit for the year	-	7,920.57	-	-	-	7,920.57	*
Less : Utilised for Dividend payment (Refer Note 16.1)	-	(2,522.75)	-	-	-	(2,522.75)	-
(Less)/Add : Amount transferred from Retained Earnings to Special Economic Zone Reinvestment Reserve [Refer Note 16(c)]	-	(1,824.84)	1,824.84	-	-	-	-

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	Reserves and Surplus				Other Comprehensive Income (OCI)	Equity attributable to the Equity Holders of Parent	Non-Controlling Interest
	Securities Premium	Retained Earnings	Special Economic Zone Reinvestment Reserve	Special Economic Zone Reinvestment Reserve Utilisation			
(Less)/Add : Amount transferred from Special Economic Zone Reinvestment Reserve to Special Economic Zone Reinvestment Reserve Utilisation [Refer Note 16(d)]	-	-	(1,824.84)	1,824.84	-	-	-
Add : Other Comprehensive Income for the year	-	3.90	-	-	1,699.91	1,703.81	-
<b>Balance as at 31st March 2023</b>	<b>39,747.97</b>	<b>46,101.18</b>	<b>-</b>	<b>1,824.84</b>	<b>9,226.67</b>	<b>96,900.66</b>	<b>*</b>

\* below rounding off norms

### Notes :

- Securities Premium is used to record the Premium on Issue of Shares. The same is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013.
- Retained Earnings represents the profits that the Group has earned till date, less any Dividends or other distributions to the Shareholders.
- The Special Economic Zone Reinvestment Reserve has been created out of the profit of the eligible SEZ unit in terms of the provisions of Section 10AA (1)(ii) of Income Tax Act, 1961. The reserve should be utilized by the Holding Company for acquiring new Plant and Machinery for the purpose of its business in terms of the provisions of the Section 10AA (2) of the Income Tax Act, 1961.
- During the year ended 31st March 2023, utilization from Special Economic Zone Re-investment Reserve includes additional acquisition of Plant and Machinery in the business of the Holding Company in terms of the provisions of the Section 10AA (2) of the Income Tax Act, 1961, upon which, the amount has been transferred to Special Economic Zone Reinvestment Reserve Utilisation Account. Post completion of 4 years, amount would be transferred from Special Economic Zone Reinvestment Reserve Utilisation Account to General Reserve.
- Other Comprehensive Income : Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.
- Non-controlling Interest : Non Controlling Interests represent Shares in the Step Down Subsidiaries Company held by the other Shareholders.

**16.1** The Board of Directors of the Holding Company, at its meeting on 27th May 2023, have proposed a Final Dividend of ₹ 7 (70 %) per Equity Share for the Financial Year ended 31st March 2023 subject to the approval of Shareholders of the Holding Company at the forthcoming Annual General Meeting and following Policy on Dividend Distribution of the Holding Company. Proposed Dividend is accounted for in the year in which it is approved by the Shareholders.

The Board of Directors of the Holding Company, at its meeting on 28th May 2022, had proposed a Final Dividend of ₹ 7 (70 %) per Equity Share for the Financial Year ended 31st March 2022. The total amount of ₹ 2522.75 has been paid out during the year ended 31st March 2023, with approval of Equity Shareholders obtained at the Annual General Meeting.

	As at 31st March 2023	As at 31st March 2022
<b>17. NON CURRENT - OTHER BORROWINGS :</b>		
<b>At Amortised Cost</b>		
<b>Secured</b>		
- Term Loans from Banks [Refer Note 17.1 & 17.2]	4,959.51	865.87
<b>Total</b>	<b>4,959.51</b>	<b>865.87</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### 17.1 Nature of Security and Terms of Repayment of Secured Borrowings :

- i) **Loan from a Bank at El Ceramics LLC** was secured by specific real estates and properties of the Company and was repaid in the year.
- ii) **Term loan of Hofmann Ceramic GmbH** is repayable by FY 2028-29 and is secured by :
  - a) Mortgage of small investments and investments in Hofmann CZ plant.
  - b) Specific Plant and Machineries of that Company
- iii) Loan from a Bank of Sheffield Refractories Ltd is secured by Land and Building of the Company and is repayable by Financial Year 2025-26.
- iv) Rupee term loan from a Bank is secured by first pari-passu charge over all movable Fixed Assets of Holding Company, both present and future, first pari-passu charge over Land and Building of Holding Company situated at its Vishakhapatnam factory, both present and future and second pari-passu charge over Current Assets of the Holding Company, both present and future. The interest rate on such term loan is 150 bps over 3 months Treasury Bill and is repayable in 20 equal quarterly installments after one year of moratorium period from the date of first disbursement.  
Rupee term Loan from another Bank is secured by the first pari-passu charge over all movable Fixed Assets of Holding Company and second pari-passu charge over Current Assets of the Holding Company. The interest rate on such term loan is 190 bps over RBI Repo rate and is repayable in 20 equal quarterly installments after one year of moratorium period from the date of first disbursement.

The Holding Company has also satisfied all Debt covenants prescribed in terms of Bank Loans. The Holding Company has not defaulted on any loans payable.

### 17.2 For current maturities of Long-Term Loan from Banks (Refer Note 19).

	As at 31st March 2023	As at 31st March 2022
<b>18. CURRENT PROVISIONS</b>		
Provision for Employee Benefits		
(a) Compensated Absences	25.49	30.18
(b) Gratuity (Refer Note 28.6 and 35)	13.84	-
<b>Total</b>	<b>39.33</b>	<b>30.18</b>

	As at 31st March 2023	As at 31st March 2022
<b>19. CURRENT - OTHER BORROWINGS :</b>		
<b>At Amortised Cost</b>		
<b>Secured</b>		
(a) Working Capital Loans repayable on Demand	5,185.26	2,252.00
(b) Packing Credit Loan repayable upto six months	4,044.88	5,276.81
(c) Current Maturities of Long Term Loan from Banks (Refer Note 17.2)	659.37	314.05
<b>Total</b>	<b>9,889.51</b>	<b>7,842.86</b>

**19.1** Working Capital and Packing Credit Loans from Banks are secured by hypothecation of Raw Materials, Stock in Process, Finished Goods, Consumables, Spares, Stores, Receivables and Other Current Assets both present and future on pari passu basis and by a second charge over all movable Fixed Assets of the Holding Company on pari passu basis and in respect of one Bank, there is additional second charge on factory Land and Building of the Holding Company situated at Kalunga.

**19.2** The overdraft facilities availed by Hofmann Ceramic GmbH are Secured by mortgage of land owned by the said Company.

**19.3** The Holding Company has been sanctioned Working Capital limits in excess of Rupees five crores in aggregate from Banks on the basis of security as mentioned in 19.1 above. The revised intimations in respect of amounts initially reported in quarterly returns/statements filed by the Holding Company with such Banks are in agreement with the books of accounts of the Holding Company. The Holding Company has satisfied all Debt covenants prescribed in terms of such Bank Loans. The Holding Company has not defaulted on any loans payable.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023	As at 31st March 2022
<b>20. TRADE PAYABLES :</b>		
<b>At Amortised Cost</b>		
Total Outstanding dues of Micro Enterprises and Small Enterprises	1,310.49	922.06
Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	17,308.45	17,799.71
<b>Total</b>	<b>18,618.94</b>	<b>18,721.77</b>

**20.1** Trade Payables are Non-Interest bearing except in case of delay of payment to MSME.

**20.2** For MSME Schedule refer Note 21.1 of Standalone Financial Statements

**20.3 Trade Payables ageing schedule :**

	Outstanding for following periods from Invoice Date					Total
	Unbilled Dues/ Provision	Less than 1 year	1 - 2 years	2 - 3 year	More than 3 years	
<b>As at 31st March 2023</b>						
i) Dues of Micro Enterprises and Small Enterprises	-	1,310.49	-	-	-	<b>1,310.49</b>
ii) Dues of Creditor other than Dues of Micro Enterprises and Small Enterprises	1,793.27	15,410.02	49.74	18.88	36.54	<b>17,308.45</b>
iii) Disputed Dues of Micro Enterprises and Small Enterprises	-	-	-	-	-	-
<b>As at 31st March 2022</b>						
(i) Dues of Micro Enterprises and Small Enterprises	-	898.34	-	-	-	<b>898.34</b>
(ii) Dues of Creditor other than Micro Enterprises and Small Enterprises	2,437.88	15,253.95	66.44	21.93	19.51	<b>17,799.71</b>
iii) Disputed Dues of Micro Enterprises and Small Enterprises	-	23.72	-	-	-	<b>23.72</b>

	As at 31st March 2023	As at 31st March 2022
<b>21. FINANCIAL LIABILITIES - OTHERS :</b>		
<b>At Amortised Cost</b>		
a) Unpaid Dividends (Refer Note 21.1)	119.40	114.88
b) Deposits	83.89	94.26
c) Payables to Employees (Refer Note 21.2)	425.65	484.15
d) Creditors for Capital Supplies/Services	432.10	148.91
e) Liability towards Corporate Social Responsibility (Refer Note 30.1)	91.94	63.10
<b>Total</b>	<b>1,152.98</b>	<b>905.30</b>

**21.1** There are no amounts due for payment to the Investor Education and Protection Fund as at the year end.

**21.2** For amounts due relating to Related Party Payable see Note 35.

	As at 31st March 2023	As at 31st March 2022
<b>22. OTHER CURRENT LIABILITIES :</b>		
a) Advances received from Customers	717.82	123.06
b) Statutory Dues	204.31	554.43
<b>Total</b>	<b>922.13</b>	<b>677.49</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in Lakhs)

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>23. REVENUE FROM OPERATIONS</b>		
<b>Revenue From</b>		
Sale of Finished Goods	1,18,574.40	1,10,423.83
Sale of Traded Goods	16,457.44	11,506.82
<b>Revenue From Sale of Products</b>	<b>1,35,031.84</b>	<b>1,21,930.65</b>
<b>Revenue From Sale of Services</b>	<b>2,187.60</b>	<b>1,987.81</b>
<b>Other Operating Income :</b>		
Export Benefits	280.85	1,037.36
Net Gain on Foreign Exchange Rate Fluctuation and Translation	1,028.70	878.10
Other Operating Revenue	121.27	116.14
<b>Total Other Operating Income</b>	<b>1,430.82</b>	<b>2,031.60</b>
<b>Total</b>	<b>1,38,650.26</b>	<b>1,25,950.06</b>
	<b>For the year ended 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
<b>24. OTHER INCOME :</b>		
Interest Income (Refer Note 24.1)	188.09	349.79
Liabilities no longer required written back	631.19	367.97
Other Non Operating Income (Refer Note 24.2)	495.65	871.41
<b>Total</b>	<b>1,314.93</b>	<b>1,589.17</b>
	<b>For the year ended 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
<b>24.1 Details of Interest Income</b>		
Interest Income earned on Financial Assets that are not designated at Fair Value through Profit and Loss :		
- On Bank Deposits	41.26	109.09
- On Other Deposits	146.83	240.70
<b>Total</b>	<b>188.09</b>	<b>349.79</b>
	<b>For the year ended 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
<b>24.2 Other Non Operating Income</b>		
(Loss)/Profit on Sale of Current Investments	(42.32)	66.25
Unrealised Gain on Fair Valuation of Current Investments through Profit and Loss	453.18	611.16
Gain on Lease Modification	-	64.63
Sundry Receipts	84.79	129.37
<b>Total</b>	<b>495.65</b>	<b>871.41</b>
	<b>For the year ended 31st March 2023</b>	<b>For the year ended 31st March 2022</b>
<b>25. COST OF RAW MATERIALS AND COMPONENTS CONSUMED</b>		
Raw Materials and Components	59,961.48	55,697.92
<b>Total</b>	<b>59,961.48</b>	<b>55,697.92</b>

## Notes to the Consolidated Financial Statements (Contd.)

	(₹ in lakhs)	
	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>26. PURCHASES OF STOCK-IN-TRADE</b>		
Purchases of Stock-in-Trade	13,285.08	8,607.72
<b>Total</b>	<b>13,285.08</b>	<b>8,607.72</b>
<b>27. (INCREASE)/DECREASE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b>		
<b>Opening Stock</b>		
Finished Goods	7,512.61	4,784.83
Work-in-Progress	2,782.10	2,582.71
Stock-in-Trade	867.36	1,010.88
<b>Sub-total (A)</b>	<b>11,162.07</b>	<b>8,378.42</b>
<b>Less : Closing Stock</b>		
Finished Goods (Refer Note 43)	7,272.38	7,512.61
Work-in-Progress	3,296.11	2,782.10
Stock-in-Trade	1,686.21	867.36
Adjustments for Changes in Foreign Currency Rates	(121.37)	65.10
<b>Sub-total (B)</b>	<b>12,133.33</b>	<b>11,227.17</b>
<b>Total (A-B)</b>	<b>(971.26)</b>	<b>(2,848.75)</b>
<b>28. EMPLOYEE BENEFITS EXPENSES :</b>		
Salaries, Wages, Bonus and Remuneration	17,314.10	15,462.37
Contribution to Provident and Other Funds	1,074.45	948.59
Staff Welfare Expenses	1,094.37	979.70
<b>Total</b>	<b>19,482.92</b>	<b>17,390.66</b>

**28.1** The Holding Company has recognised in the Statement of Profit and Loss for the year ended 31st March 2023 an amount of ₹ 261.48 (31st March, 2022 : ₹ 238.64) as expenses under Defined Contribution Plans.

### **28.2 Provident Fund (Funded)**

Provident Fund contributions in respect of employees upto August 2017 of erstwhile IFGL Refractories Limited i.e Holding Company are made to a Trustee managed exempted fund and interest paid to member thereof is not lower than that declared annually by the Central Government. Shortfall if any is made good by the Holding Company. Membership to said Fund has been closed on and from 1st September 2017, subject to necessary approvals and/or permissions. Provident Fund in respect of remaining employees are made to Statutory Provident Fund established by the Central Government. Based on the final guidance for measurement of Provident Fund Liabilities of the Trustee managed fund issued by the Actuarial Society of India, the Holding Company's liability at the year end of ₹ Nil (31.03.2022 : ₹ Nil) has been actuarially determined by an Independent Actuary using the Projected Unit Credit Method and provided for. Provident Fund in respect of remaining employees of the Holding company are made to Statutory Provident Fund established by the Central Government as stated above.

The details of Fund and Planned Assets position is given below :

	As at 31st March 2023	As at 31st March 2022
Discount Rate	7.20%	6.80%
Expected Guaranteed Interest Rate	8.15%	8.10%

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### 28.3 Gratuity (Funded)

The Holding Company provides for Gratuity benefit to its Employee. Gratuity entitlement of the Employees is as per the provision of the Payment of the Gratuity Act, 1972. However, in case of employees joining before 1st April 2003 of erstwhile IFGL Refractories Limited, they are entitled to Gratuity as per scheme framed by the Holding Company or as per the Payment of Gratuity Act, 1972, whichever is higher. Liability with regard to Gratuity Plan is determined by the Actuarial Valuation using the Projected Unit Credit Method, based on which the Holding Company makes contribution to the Fund. The most recent Actuarial Valuation of the Fund was carried out as at 31st March 2023.

### 28.4 Superannuation (Funded)

Certain employees joined before 31st March 2004 of erstwhile IFGL Refractories Limited are member of Trustee managed Superannuation Fund. The said fund provide for Superannuation benefit on retirement/death/incapacitation/termination and was amended from the Defined Benefit to Defined Contribution Plan effective 1st April 2004. Defined Benefit Plan was frozen as on 31st March 2004. Necessary formalities/approvals have been complied with and obtained.

From December 2022, the Holding Company is not effecting payment of contributions in respect of its Employees and Member of Holding Company's Income Tax recognised Superannuation Fund, IFGL Refractories Ltd – Employees Superannuation Fund (hereon 'Fund') following approval by the Principal Commissioner of Income Tax, Kolkata-2 that surplus lying in Plan-A of the Fund can be adjusted against contributions receivable from the Holding Company under Plan-B thereof. Amount involved for the period December 2022 to March 2023 is ₹ 13.15.

### 28.5 Compensated Absence (Unfunded)

The Holding Company provides for encashment of accumulated Leave Benefit for eligible employees (i.e. workmen) at the time of retirement, death, incapacitation or termination of employment, subject to a maximum of one hundred and twenty days based on the last drawn salary. Liabilities are determined by Actuarial Valuation using Projected Unit Credit Method.

#### 28.5.1 Plans at Overseas Subsidiaries

Step Down Subsidiaries operate a Defined Contribution Pension Scheme for the benefit of the employees and contributions payable are charged to the Statement of Profit and Loss in the period they render the service. Only Goricon Metallurgical Services Limited (GMSL), a Step Down Subsidiary operates a Defined Benefit Pension Scheme. Scheme Assets are measured by the actuary at Fair Values. Scheme Liabilities are measured on an actuarial basis using the Discounted Income Approach and are discounted at appropriate high quality corporate bond rates. A Net Surplus is recognised only to the extent that it is recoverable by the aforesaid Subsidiary. The current service costs and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit vest. Interest on the Scheme Liabilities and the expected return on Scheme Assets are included in Finance Costs. The Scheme is closed effective from 1st April 2003 to new members.

### 28.6 Following are the further particulars with respect to Defined Benefit Plans of the Group for the year ended 31st March 2023 :

	Gratuity (Funded)		Superannuation (Funded)		Step down Subsidiary Benefit Scheme (Funded)	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>a) Reconciliation of the Opening and Closing Balances of Present Value of Defined Benefit Obligation :</b>						
Present Value of Obligation, as at the beginning of the year	779.46	726.08	31.86	46.18	2,507.38	3,238.48
Service Cost	80.76	75.37	-	-	-	-
Interest Cost	48.75	45.29	1.63	2.69	67.08	65.88
Actuarial Gains	(21.45)	(8.71)	1.11	(7.36)	(656.24)	(269.59)
Benefits Paid	(125.26)	(58.57)	(15.74)	(9.65)	(124.44)	(498.64)

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	Gratuity (Funded)		Superannuation (Funded)		Step down Subsidiary Benefit Scheme (Funded)	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
Exchange Differences on Foreign Plan	-	-	-	-	25.15	(28.75)
Present Value of Obligation as at the end of the year	<b>762.26</b>	<b>779.46</b>	<b>18.86</b>	<b>31.86</b>	<b>1,818.93</b>	<b>2,507.38</b>
<b>b) Reconciliation of the Opening and Closing Balances of the Fair Value of Plan Assets :</b>						
Fair Value of Plan Assets as at the beginning of the year	791.00	757.20	637.41	608.93	3,007.46	3,995.96
Interest Income	51.13	48.94	42.81	39.27	80.69	83.11
Remeasurement Gains	(15.45)	(6.57)	(36.02)	(1.14)	(893.45)	(539.18)
Contribution Paid	47.00	50.00	-	-	-	-
Benefits Paid	(125.26)	(58.57)	(15.74)	(9.65)	(124.44)	(498.64)
Exchange Differences on Foreign Plan	-	-	-	-	26.38	(33.79)
Fair Value of Plan Assets as at the end of the year	<b>748.42</b>	<b>791.00</b>	<b>628.46</b>	<b>637.41</b>	<b>2,096.64</b>	<b>3,007.46</b>
<b>c) Reconciliation of the Present Value of Defined Benefit Obligation and Fair Value of the Plan Assets :</b>						
Fair Value of Plan Assets as at the end of the year (A)	748.42	791.00	628.46	637.41	2,096.64	3,007.46
Present Value of Obligation as at the end of the year (B)	762.26	779.46	18.86	31.86	1,818.93	2,507.38
(Liabilities)/Assets recognised in the Balance Sheet (A) - (B)	<b>(13.84)</b>	<b>11.54</b>	<b># 609.60</b>	<b># 605.55</b>	<b># 277.71</b>	<b># 500.08</b>
# Actual amount of Asset in the Balance Sheet Nil (31st March 2022 : Nil)						
<b>d) Expense recognised in the Statement of Profit and Loss :</b>						
<b>Employee Benefits Expense :</b>						
Service Cost	** 80.76	** 75.37	-	-	-	-
Net Interest Expenses	** (2.38)	** (3.65)	(41.18)	(36.58)	223.61	252.36
<b>Other Comprehensive Income :</b>						
Actuarial (Gains)/Losses	(6.00)	(2.14)	37.13	(6.22)	-	-
<b>Total Expense as per the Actuarial Valuation</b>	<b>72.38</b>	<b>69.58</b>	<b>(4.05)</b>	<b>(42.80)</b>	<b>223.61</b>	<b>252.36</b>
Actual Expenses Recognised	72.38	69.58	-	-	*	*
* The Expenses for the above benefit are recognised under 'Salaries, Wages, Bonus and Remuneration' on Note 28.						
**The Expenses for the above benefit are recognised under 'Contribution to Provident and Other Funds' on Note 28.						
<b>e) Category of Plan Assets :</b>						
GOI Securities (%)	0.29	0.29	1.00	1.00	-	-
Units of Insurers (%)	97.80	97.80	95.00	95.00	-	-
Others (including Bank Balances) (%)	1.91	1.91	4.00	4.00	-	-
Scottish Mutual with Profit Deferred Annuity (%)	-	-	-	-	100.00	100.00
	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>f) Principal Actuarial Assumptions</b>						
Discount Rate (per Annum) (%)	7.20	6.80	7.20	6.80	4.80	2.80
Rate of Increase in Salaries (%)	6.00	6.00	NA	NA	NA	NA
Remaining Working Life (in Years)	23.67	24.22	5.69	6.39	-	-



## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	Gratuity (Funded)		Superannuation (Funded)		Step down Subsidiary Benefit Scheme (Funded)	
	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2023	For the year ended 31st March 2022
Mortality Rate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	Indian Assured Lives Mortality (2006-08) (Modified) Ultimate	@	@
Method Used	Projected Unit Credit Method				Discounted Income Approach	
Actual Return on Plan Assets	35.68	42.37	6.79	38.13	NA	NA

@ The mortality assumptions adopted at 31st March 2023 imply the following future life expectancies :

Male currently age 65	20.40	20.60
Female currently age 65	22.20	22.40

### g) Other Disclosures :

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors.

#### Sensitivity Analysis

The Sensitivity of Defined Benefit Obligations to changes in the weighted principal assumptions is :

	As at 31st March 2023		As at 31st March 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to Sensitivity	(50.87)	59.09	(49.48)	57.40
Salary Growth Rate (-/+ 1%) % change compared to base due to Sensitivity	56.94	(50.92)	55.64	(49.64)

	As at 31st March 2023		As at 31st March 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%) % change compared to base due to Sensitivity	(0.24)	0.25	(0.37)	0.38
Salary Growth Rate (-/+ 1%) % change compared to base due to Sensitivity	NA	NA	NA	NA

	As at 31st March 2023		As at 31st March 2022	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 0.1%) % change compared to base due to Sensitivity	(1.82)	1.82	(2.51)	2.51
Inflation Rate (-/+ 0.1%) % change compared to base due to Sensitivity	1.82	(1.82)	2.51	(2.51)
Life Expectancy (-/+1 year) change in compared to base due to Sensitivity	1.82	(1.82)	2.51	(2.51)

The above Sensitivity Analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the Sensitivity of the Defined Benefit Obligation to Significant Actuarial Assumptions, the same method (Present Value of the Defined Benefit Obligation calculated with

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

the Projected Unit Credit Method at the end of the reporting period) has been applied while calculating the Defined Benefit Liability recognised in the Balance Sheet. The methods and types of assumptions used in preparing the Sensitivity Analysis did not change compared to the prior period.

### Risk Exposure :

Through its Defined Benefit Plans, the Group is exposed to a number of risks, the most significant of which are detailed below :

- Investment Risk :** The Defined Benefit Plans are funded Government Securities and Units of Insurers. The Group does not has any liberty to manage the funds provided to Insurance Companies.
- Interest Risk :** A decrease in the interest rate on Plan Assets will increase the Plan Liability.
- Life Expectancy :** The Present Value of the Defined Benefit Plan Liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the Plan Liability.
- Salary Growth Risk :** The Present Value of Defined Benefit Plan Liability is calculated by reference to the future salaries of plan participants. An increase will increase the Plan Liability.

### Defined Benefit Liability and Employer Contributions

Expected contributions to post-employment benefit plans for the year ending 31st March 2023 is ₹ 13.84 (31st March 2022 : Nil)

The Weighted Average duration of the Defined Benefit Obligation (Gratuity) is 7 years (31st March 2022 - 7 years). The expected maturity analysis of Undiscounted Gratuity is as follows :

	As at 31st March 2023	As at 31st March 2022
Year 1	54.08	88.02
Year 2	91.28	93.31
Year 3	106.80	90.11
Year 4	120.74	104.49
Year 5	159.78	118.79
Year 6 to 10	494.92	564.62

The Weighted Average duration of the Defined Benefit Obligation (Superannuation) is 1 year (31st March 2022 - 1 year). The expected maturity analysis of payment for Superannuation is as follows :

	As at 31st March 2023	As at 31st March 2022
Year 1	8.93	17.52
Year 2	3.68	5.27
Year 3	2.47	3.66
Year 4	1.01	2.45
Year 5	3.89	1.01
Year 6 to 10	0.96	4.96

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>29. FINANCE COSTS</b>		
Interest on Borrowing from Banks and Others	479.99	259.22
Interest on Lease Liabilities (Refer note 4.2)	4.05	81.56
<b>Total</b>	<b>484.04</b>	<b>340.78</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	For the year ended 31st March 2023		For the year ended 31st March 2022	
<b>30. OTHER EXPENSES :</b>				
Consumption of Stores and Spares		3,322.15		2,972.75
Power and Fuel		4,694.43		4,091.14
Rent (Refer Note 4.2)		672.24		354.36
Rates and Taxes		253.55		223.86
<b>Repairs and Maintenance :</b>				
- Plant and Machinery	1,074.37		826.62	
- Buildings	158.29		118.66	
- Others	635.10	1,867.76	519.44	1,464.72
Insurance		428.19		337.05
Payment to Auditors of the Holding Company		39.32		36.82
Directors' Sitting Fees		7.60		7.65
Bad Debts written off [net of write back of allowance for Credit impaired of ₹ 2,358.46 (31st March 2022 : ₹ 941.96)] (Refer Note 43)		18.02		1,071.60
Travelling and Conveyance		1,525.75		893.47
Site Contractor Expenses		2,466.79		1,972.03
Processing Charges		991.12		1,004.23
Corporate Social Responsibility Expenditure (Refer Note 30.1)		149.51		113.10
Legal and Professional Charges		890.93		751.22
Postage, Telephone, Telex etc.		217.00		205.79
Service Charges		299.20		250.05
Sales Commission (Refer Note 43)		2,281.34		2,903.48
Packing Expenses		1,733.06		1,893.04
Delivery and Forwarding Expenses		7,842.79		10,741.09
Net Loss on Sale of Property, Plant and Equipment		19.33		12.61
Miscellaneous Expenses		1,877.48		1,542.84
<b>Total</b>		<b>31,597.56</b>		<b>32,842.90</b>

### 30.1 Corporate Social Responsibility Expenditure

- a) Gross amount required to be spent by the Holding Company during the year is ₹ 149.51 (31st March 2022 : ₹ 113.10).  
b) Amount spent during the year ending 31st March 2023 in respect of above

	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of any Asset	-	-	-
ii) On purposes other than i) above	57.57	91.94	149.51
<b>Total</b>	<b>57.57</b>	<b>91.94</b>	<b>149.51</b>

- c) Amount spent during the year ending 31st March 2022 in respect of above

	In Cash	Yet to be paid in Cash	Total
i) Construction/Acquisition of any Asset	-	-	-
ii) On purposes other than i) above	50.00	63.10	113.10
<b>Total</b>	<b>50.00</b>	<b>63.10</b>	<b>113.10</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### d) Details related to Spent/Unspent Obligations :

	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	57.57	50.00
iii) Unspent amount in relation to :		
- Ongoing Project	91.94	-
- Other than Ongoing Project	-	63.10
<b>Total</b>	<b>149.51</b>	<b>113.10</b>

### e) In case of Section 135 (Ongoing Projects & Others)

	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening Balance	63.10	-
Amount required to be spent during the year	149.51	113.10
Amount spent during the year	120.67	50.00
<b>Closing Balance</b>	<b># 91.94</b>	<b>63.10</b>

# Unspent amount of ₹ 91.94 is transferred to a Unspent CSR account of the Holding Company on 28th April 2023 in compliance of provision of Section 135 of Companies Act, 2013.

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>31. EARNINGS PER SHARE (EPS)</b>		
Profit after Tax attributable to the Equity Shareholders (₹ in lakhs) (A)	7,920.57	7,748.14
Weighted Average Number of Equity Shares (in Numbers) (B)	3,60,39,312	3,60,39,312
Nominal Value of Equity Shares (in ₹)	10.00	10.00
Face Value of Equity Share (in ₹)	10.00	10.00
<b>Basic &amp; Diluted EPS (in ₹) (A/B)</b>	<b>21.98</b>	<b>21.50</b>

	As at 31st March 2023	As at 31st March 2022
<b>32. CONTINGENT LIABILITIES :</b>		
<b>a) Claims against the Group not acknowledged as Debts :</b>		
i) Sales Tax matter under dispute relating to issues of applicability and classification [related payments ₹ 7.61 (31st March 2022 : ₹ 35.41)]	4.95	6.88
ii) Goods and Service Tax matter under dispute [Related Payments ₹ 0.03 (31st March 2022 : ₹ 0.03 )]	0.56	54.15
iii) Income Tax matters under dispute relating to issues of applicability and determination [Related payments ₹ 8.75 (31st March 2022 : ₹ 0.54)]	1,244.62	572.39
iv) Service Tax matter under dispute relating to issue of applicability	1.54	37.11
v) Duty Drawback relating to Custom Act,1962	-	1.59

- b) The Holding Company has challenged vires of Explanation to Section 10AA(1) of the Income Tax Act, 1961 inserted on and from Assessment Year beginning 1st April 2018 by filing Writ Petition No 544 of 2019 before Hon'ble High Court at Calcutta, which has been admitted on 7th November 2019, on grounds that such explanation denies the benefit that was intended to be provided under the said Section. Management believes, supported by legal opinion obtained, that the Holding Company will be able to defend its position of continuing to determine its Income Tax obligation based on provisions of the Income Tax Act, 1961 applicable prior to insertion of the aforesaid explanation. Consequently, the resultant Deferred Tax Asset of ₹ 1,203.59 (31st March 2022 : ₹ 1,203.59) has been considered realisable and, hence, continues to be recognised in these Consolidated Financial Statements till 31st March 2023. In the opinion of the Management, outcome of these proceedings will not have a material effect on the Holding Company's financial position and result of operations.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

The Holding Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

	As at 31st March 2023	As at 31st March 2022
<b>33. CAPITAL AND OTHER COMMITMENTS</b>		
Estimated Value of Contracts on Capital Account remaining to be executed (Net of Advances) and not provided for	4,266.39	3,261.85
Other Commitments (in respect of Current Investment)	-	100.00
<b>Total</b>	<b>4,266.39</b>	<b>3,361.85</b>

### 34 FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES :

#### 34.1 Capital Management

The Group aims at maintaining a strong capital base maximizing Shareholders' Wealth safeguarding Business continuity and augments its internal generations with a judicious use of Borrowing facilities to fund spikes in Working Capital that arise from time to time as well as requirements to finance business growth.

The Group monitors Capital using Gearing Ratio which is Net Debt divided by Total Capital plus Net Debt.

	As at 31st March 2023	As at 31st March 2022
<b>Borrowings (including Lease Liabilities)</b>	16,014.36	9,905.16
Less : Cash and Cash Equivalents	5,680.10	11,904.01
<b>Net Debt</b>	<b>10,334.26</b>	<b>(1,998.85)</b>
<b>Equity</b>	<b>1,00,504.59</b>	<b>93,402.96</b>
<b>Gearing Ratio</b>	<b>9.32%</b>	-

#### 34.2 Categories of Financial Instruments

Set out below, is a comparison by class of the Carrying Amounts and Fair Value of the Group's Consolidated Financial Instruments :

	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A. Financial Assets</b>				
<b>a) Measured at Amortised Cost</b>				
i) Cash and Cash Equivalents	5,680.10	5,680.10	11,904.01	11,904.01
ii) Other Bank Balances	119.40	119.40	882.98	882.98
iii) Trade Receivables	34,983.74	34,983.74	27,202.75	27,202.75
iv) Other Financial Assets	785.02	785.02	1,133.04	1,133.04
<b>Sub-total (A)</b>	<b>41,568.26</b>	<b>41,568.26</b>	<b>41,122.78</b>	<b>41,122.78</b>
<b>b) Measured at Fair Value through Profit and Loss</b>				
Investment in Mutual Funds, Bond and Others	13,234.74	13,234.74	13,480.79	13,480.79
<b>Sub-total (B)</b>	<b>13,234.74</b>	<b>13,234.74</b>	<b>13,480.79</b>	<b>13,480.79</b>
<b>Total Financial Assets (A) + (B)</b>	<b>54,803.00</b>	<b>54,803.00</b>	<b>54,603.57</b>	<b>54,603.57</b>

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>B. Financial Liabilities</b>				
<b>a) Measured at Amortised Cost</b>				
i) Other Borrowings	14,849.02	14,849.02	8,708.73	8,708.73
ii) Trade Payables	18,618.94	18,618.94	18,721.77	18,721.77
iii) Other Financial Liabilities	1,152.98	1,152.98	905.30	905.30
iv) Lease Liabilities	1,165.34	1,165.34	1,196.43	1,196.43
<b>Sub-total</b>	<b>35,786.28</b>	<b>35,786.28</b>	<b>29,532.23</b>	<b>29,532.23</b>
<b>Total Financial Liabilities</b>	<b>35,786.28</b>	<b>35,786.28</b>	<b>29,532.23</b>	<b>29,532.23</b>

The Management assessed that Cash and Cash Equivalents, other Bank Balances, Trade Receivables, Trade Payables, Other Financial Assets and Other Financial Liabilities approximate their Carrying Amounts largely due to the Short-Term Maturities of these instruments.

The Fair Value of Lease Liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the Fair Value of the Equity Instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The Fair Values of the Group's interest bearing borrowings are determined by using DCF method using discount rate that reflects issuer's borrowing rate as at the end of the reporting period. The own non performance risk as at 31 March 2023 was assessed to be insignificant. The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the Investments.

### 34.3 Financial Risk Management Objectives

The Group's activities expose it to a variety of Financial Risks, including Market Risk, Credit Risk and Liquidity Risk. The Group continues to focus on a system based approach to Business Risk Management. The Group's Financial Risk Management Process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong Internal Control Systems, the Current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews/audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

#### a) Market Risk

The Group's Financial Instruments are exposed to market changes. The Group is exposed to following significant Market Risk :

- i. Foreign Currency Risk
- ii. Interest Rate Risk
- iii. Price Risk

Market Risk Exposures are measured using Sensitivity Analysis. There has been no change to the Group's exposure to Market Risks or the manner in which these risks are being managed and measured.

#### Fair Value Hierarchy

The following table provides an analysis of Financial Instruments that are measured subsequent to initial recognition at Fair Value, grouped into Level 1 to Level 3, as described below :

**Quoted/repurchase prices in an active market (Level 1) :** This level of hierarchy includes Financial Assets that are measured by reference to quoted/repurchase prices (unadjusted) in active markets for identical Assets or Liabilities. This category consists of Investment in Quoted Equity Shares, and Mutual Fund Investments.

**Valuation techniques with observable Inputs (Level 2) :** This level of hierarchy includes Financial Assets and Liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the Asset or Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This level of hierarchy does not include any instrument.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

**Valuation techniques with significant unobservable Inputs (Level 3) :** This level of hierarchy includes Financial Assets and Liabilities measured using Inputs that are not based on observable Market Data (unobservable Inputs). Fair Values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable Current Market Transactions in the same instrument nor are they based on available Market Data.

	Level 1	Level 2	Level 3	Total
<b>As at 31st March 2023</b>				
<b>Financial Assets</b>				
Investment In Mutual Funds, Bond & Others	13,234.74	-	-	13,234.74
	<b>13,234.74</b>	-	-	<b>13,234.74</b>
<b>As at 31st March 2022</b>				
<b>Financial Assets</b>				
Investment In Mutual Funds, Bond & Others	13,480.79	-	-	13,480.79
	<b>13,480.79</b>	-	-	<b>13,480.79</b>

There have been no transfers between Level 1 and Level 2 during the years ended 31st March 2023 and 31st March 2022.

In determining Fair Value Measurement, the impact of potential climate related matters, including legislation, which may affect the Fair Value Measurement of Assets and Liabilities in the Financial Statements has been considered. These risks in respect of climate related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the Cash Flow forecasts in assessing value-in-use amounts. At present, the impact of climate related matters is not material to the Group's Financial Statements.

### i. Foreign Currency Risk

The Group undertakes transactions denominated in Foreign Currency which results in Exchange Rate fluctuations. Such Exchange Rate risk primarily arises from transactions made in Foreign Exchange and reinstatement risks arising from recognised Assets and Liabilities, which are not in the Holding Company's functional Currency (Indian Rupees).

A significant portion of these transactions are in US Dollar, Euro, etc. The Carrying Amount of Foreign Currency denominated Financial Assets and Liabilities including derivative contracts, are as follows :

As at 31st March 2023	USD	EURO	GBP	Others*	Total
Financial Assets	11,819.40	8,361.58	3,354.05	465.65	<b>24,000.68</b>
Financial Liabilities	5,120.77	5,420.48	1,905.92	155.43	<b>12,602.60</b>
<b>As at 31st March 2022</b>					
Financial Assets	14,063.98	8,699.55	8,307.02	269.27	<b>31,339.82</b>
Financial Liabilities	7,093.25	6,400.24	1,334.65	123.47	<b>14,951.61</b>

\* Others include NZ Dollars, AUS Dollars, Swedish Krona and AED.

Un-hedged Foreign Currency Balances :	Currency	As at	As at
		31st March 2023	31st March 2022
i) Financial Liabilities	USD	5,120.77	7,093.25
	EURO	5,420.48	6,400.24
	GBP	1,905.92	1,334.65
	Others*	155.43	123.47
ii) Financial Assets	USD	11,819.40	14,063.98
	EURO	8,361.58	8,699.55
	GBP	3,354.05	8,307.02
	Others*	465.65	269.27

\* Others include NZ Dollars, AUS Dollars, Swedish Krona and AED.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### Foreign Currency Sensitivity

Foreign Currency Sensitivities for Unhedged exposure (Impact on increase in 5%)

	As at 31st March 2023		As at 31st March 2022	
	Impact on Profit	Impact on pre Tax Equity	Impact on Profit	Impact on pre Tax Equity
USD	334.93	334.93	348.54	348.54
EURO	147.06	147.06	114.97	114.97
GBP	72.41	72.41	348.62	348.62
Others*	15.51	15.51	7.29	7.29

**Note :** If the Rate is decreased by 5% Profit will increase/(decrease) by an equal Amount.

\* Others include NZ Dollars, AUS Dollars, Swedish Krona and AED.

### ii. Interest Rate Risk

Interest Rate Risk refers to the risk that the Fair Value or Future Cash Flows of a Financial Instrument will fluctuate because of changes in market interest rates. The objectives of the Group's Interest Rate Risk Management processes are to lessen the impact of adverse Interest Rate movements on its earnings and Cash Flows and to minimise counter party risks.

The Group is exposed to Interest Rate volatilities primarily with respect to its Term Borrowings from Banks, Export Packing Credit Facilities and Cash Credit Facilities. Such volatilities primarily arise due to changes in money supply within the economy and/or liquidity in banking system due to asset/liability mismatch, poor quality assets etc. of banks. The Group manages such risk by operating with banks having superior credit rating in the market.

Interest Rate Sensitivities for Outstanding Exposure (Impact on increase in 50 bps)

	As at 31st March 2023		As at 31st March 2022	
	Impact on Profit	Impact on pre Tax Equity	Impact on Profit	Impact on pre Tax Equity
INR	(29.86)	(29.86)	(5.03)	(5.03)
USD	(1.93)	(1.93)	(6.57)	(6.57)
EURO	(25.30)	(25.30)	(31.95)	(31.95)
GBP	(17.15)	(17.15)	-	-

Figures in brackets indicate decrease in profit

**Note :** If the Rate is decreased by 50 bps, Profit will increase by an equal Amount.

Interest Rate Sensitivity has been calculated assuming the Borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate Borrowing have been done on the notional value of the Foreign Currency (excluding the revaluation).

### iii. Price Risk

The Group invests its surplus funds primarily in Debt Mutual Funds measured at Fair Value through Profit or Loss. Aggregate value of such Investments as at 31st March 2023 is ₹ 13,234.74 (31st March 2022 : ₹ 13,480.79). Investments in the Mutual Fund Schemes are measured at Fair Value. Accordingly, these do not pose any significant Price Risk.

	As at 31st March 2023		As at 31st March 2022	
	Impact on Profit	Impact on pre Tax Equity	Impact on Profit	Impact on pre Tax Equity
<b>Investment In Mutual Funds, Bonds &amp; Others</b>				
0.5% Increase in Price	66.17	66.17	67.40	67.40
0.5% Decrease in Price	(66.17)	(66.17)	(67.40)	(67.40)



## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### b) Liquidity Risk

Liquidity Risk is the Risk that the Group may encounter difficulty in meeting its obligations. The Group mitigates its Liquidity Risks by ensuring timely collections of its Trade Receivables, close monitoring of its Credit Cycle and ensuring optimal movements of its Inventories. The table below provides details regarding remaining contractual maturities of significant Financial Assets and Liabilities at the reporting date

	As at 31st March 2023		As at 31st March 2022	
	Current	Non-Current	Current	Non-Current
<b>A. Financial Assets</b>				
i) Cash and Cash Equivalents	5,680.10	-	11,904.01	-
ii) Other Bank Balances	119.40	-	882.98	-
iii) Trade Receivables	34,983.74	-	27,202.75	-
iv) Other Financial Assets	149.34	635.68	902.64	230.40
v) Investment In Mutual Funds, Bond & Others	11,295.99	1,938.75	11,546.28	1,934.51
<b>Total</b>	<b>52,228.57</b>	<b>2,574.43</b>	<b>52,438.66</b>	<b>2,164.91</b>
<b>B. Financial Liabilities</b>				
i) Other Borrowings	9,889.51	4,959.51	7,842.86	865.87
ii) Trade Payables	18,618.94	-	18,721.77	-
iii) Other Financial Liabilities	1,152.98	-	905.30	-
iv) Lease Liabilities	121.04	2,034.04	181.95	2,174.39
<b>Total</b>	<b>29,782.47</b>	<b>6,993.55</b>	<b>27,651.88</b>	<b>3,040.26</b>

The Group manages this risk by utilising unused credit lines and portfolio diversion. The Group has Investment policy for deployment of surplus liquidity, which allows Investment in Debt Securities and Mutual Fund Schemes.

### c) Credit Risk

Credit Risk is the risk that counter party will not meet its obligations leading to a Financial Loss. The Group has its policies to limit its exposure to Credit Risk arising from outstanding receivables. Management regularly assess the credit quality of its customer's, basis which, terms of payment are decided. Credit limits are set for each customer which are reviewed on periodic intervals.

The movement of the expected loss provision on Trade Receivables made by the Group are as under :

	As at 31st March 2023	As at 31st March 2022
Opening Balance	3,001.96	2,060.00
Add : Provisions made	18.02	1,071.60
Less : Utilisation/(Reversed) made for Impairment/Derecognition	(2,376.48)	(129.64)
<b>Closing Balance</b>	<b>643.50</b>	<b>3,001.96</b>

### 35. RELATED PARTY DISCLOSURE :

Related Party Disclosures in keeping with Indian Accounting Standard (Ind AS 24)

#### a) List of Related Parties

Where Control exists	
Parent	Bajoria Financial Services Private Limited
Fellow Subsidiaries	Heritage Health Insurance TPA Private Limited
	Ganges Art Gallery Private Limited
	Bajoria Enterprises Limited
	Heritage Health Knowledge Services Private Limited
	Essentially Healthy Private Limited

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

Others :	
Key Management Personnel	S K Bajoria (Chairman)
	P Bajoria (Managing Director till 18.07.2021)
	James Leacock McIntosh (Managing Director w.e.f. 01.09.2021)
	Kamal Sarda (Director and Chief Executive Officer and also designated as Chief Financial Officer from 08.02.2020 till 12.11.2021)
	Rajesh Agarwal (appointed as Director - General Counsel on and from 12.11.2022 and also designated as Company Secretary till 11.11.2022)
	Amit Agarwal (Chief Financial Officer w.e.f 13.11.2021)
	Mansi Damani (Company Secretary w.e.f 12.11.2022)
Non Executive Directors	Kanwar Satyabrata Sanyal (resigned on and from 28.05.2022)
	Sudhamoy Khasnobis
	Duraiswamy Gunaseela Rajan
	Debal Kumar Banerji
	Bharati Ray (resigned on and from 28.05.2022)
	Gaurav Swarup (appointed w.e.f 12.10.2022)
	Anita Gupta (appointed w.e.f 12.10.2022)
	Yuji Yamaguchi (resigned on and from 27.08.2022)
Tetsuo Tsuzuki (resigned on and from 27.08.2022)	
Relatives of Key Management Personnel	Smita Bajoria (Wife of Chairman)
	Mihir Prakash Bajoria (Son of Chairman)
	Vidushi Jain Bajoria (Daughter-in-Law of Chairman)
	Akshay Bajoria (Son of P Bajoria) (Relative till 18.07.2021)
Enterprises in which Key Management Personnel has Significant Influence	Heritage Insurance Brokers Private Limited
	Bajoria Service Providers LLP
	Excellent IT Services Private Limited (formerly known as Bajoria Holdings Private Limited till 26.07.2022 )
	Bajoria Estate Private Limited
	Bajoria Knowledge Private Limited
Post Employment Benefit	IFGL Refractories Limited Staff Provident Fund
	IFGL Exports Limited Employees Gratuity Fund
	IFGL Refractories Limited Employees Superannuation Fund

	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022
<b>b) Particulars of Transactions during the Year and Year end Balances</b>		
<b>I) With Parent : Bajoria Financial Services Private Limited</b>		
Rent for Office Premises	55.15	36.73
	<b>55.15</b>	<b>36.73</b>
<b>(II) Transactions between Fellow Subsidiaries and Other Enterprises in which Key Management Personnel has Significant Influence</b>		
<b>Expenses Reimbursement/Incurred</b>		
Ganges Art Gallery Private Limited	0.30	-
Bajoria Enterprises Limited	12.00	12.00
Essentially Healthy Private Limited	-	0.04
	<b>12.30</b>	<b>12.04</b>

## Notes to the Consolidated Financial Statements (Contd.)

	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022
(₹ in lakhs)		
<b>III) With Key Management Personnel</b>		
<b>Key Management Personnel Remuneration (Short-Term Benefits)</b>		
S K Bajoria (Chairman)	202.89	191.02
P Bajoria (Managing Director till 18.07.2021)	-	225.04
James Leacock McIntosh (Managing Director w.e.f. 01.09.2021)	543.23	296.91
Kamal Sarda (Director and Chief Executive Officer and also designated as Chief Financial Officer from 08.02.2020 till 12.11.2021)	157.97	128.15
Rajesh Agarwal (appointed as Director - General Counsel on and from 12.11.2022 and also designated as Company Secretary till 11.11.2022)	145.57	136.70
Amit Agarwal (Chief Financial Officer w.e.f 13.11.2021)	35.69	29.78
Mansi Damani (Company Secretary w.e.f 12.11.2022)	28.39	-
	<b>1,113.74</b>	<b>1,007.60</b>
<b>Director's Commission</b>		
S K Bajoria (Chairman)	64.70	91.69
P Bajoria (Managing Director till 18.07.2021)	-	27.38
	<b>64.70</b>	<b>119.07</b>
<b>Balances as at 31st March 2023 and 31st March 2022</b>		
<b>Director's Commission Payable</b>		
S K Bajoria (Chairman)	64.70	91.69
P Bajoria (Managing Director till 18.07.2021)	-	22.28
	<b>64.70</b>	<b>113.97</b>
<b>IV) Non Executive Director - Sitting fees</b>		
Kanwar Satyabrata Sanyal (resigned on and from 28.05.2022)	-	1.10
Sudhamoy Khasnobis	2.15	0.85
Duraiswamy Gunaseela Rajan	2.20	1.40
Debal Kumar Banerji	3.05	2.25
Bharati Ray (resigned on and from 28.05.2022)	-	0.65
Tetsuo Tsuzuki (resigned on and from 27.08.2022)	-	0.80
Yuji Yamaguchi (resigned on and from 27.08.2022)	-	0.60
Gaurav Swarup (appointed w.e.f 12.10.2022)	0.20	-
	<b>7.60</b>	<b>7.65</b>
<b>V) With Relative of Key Management Personnel - Remuneration</b>		
Mihir Prakash Bajoria (Son of Chairman)	233.46	242.75
Vidushi Jain Bajoria (Daughter-in-Law of Chairman)	-	5.40
Akshay Bajoria (Son of P Bajoria) (Relative till 18.07.2021)	-	54.57
	<b>233.46</b>	<b>302.72</b>
<b>VI) With Other - Post Employment Benefit</b>		
<b>Expenditure</b>		
IFGL Refractories Limited Staff Provident Fund	33.85	36.05
IFGL Exports Limited Employees Gratuity Fund	72.38	69.58
IFGL Refractories Limited Employees Superannuation Fund	27.95	44.95
	<b>134.18</b>	<b>150.58</b>
<b>Year End Balance - Payable</b>		
IFGL Refractories Limited Staff Provident Fund	11.54	11.67
IFGL Exports Limited Employees Gratuity Fund	13.84	-
	<b>25.38</b>	<b>11.67</b>

## Notes to the Consolidated Financial Statements (Contd.)

	(₹ in lakhs)	
	As at/For the year ended 31st March 2023	As at/For the year ended 31st March 2022
<b>Year End Balance - Receivable</b>		
IFGL Exports Limited Employees Gratuity Fund	-	11.54
	-	<b>11.54</b>

The remuneration to the Key Managerial Personnel include provisions towards Gratuity as it is determined on an actuarial basis for the Holding Company as a whole.

### 36. INFORMATION GIVEN IN ACCORDANCE WITH THE REQUIREMENTS OF IND AS 108 ON SEGMENT REPORTING :

The Group is engaged in the business of manufacturing refractories across the globe. The operating segments have been identified based on the different geographical areas where major entities within the Group operate and which is also the basis on which the Chief Operating Decision Maker (CODM) reviews and assess the Group's performances.

The Group is engaged in the business of manufacture, trading, sale of refractories, its accessories machine and services thereof and is managed organisationally as a single segment. The Group has adopted geographical location of its operations (where its products are produced or service rendering activities are based) as its Operating Segment in terms of Ind AS 108 'Operating Segments'.

The Group's reportable segments and segment information is presented below :

#### (A) Primary Segment Reporting (by Geographical Location of Operations)

##### I) Composition of Geographical Segments

The Group is predominantly a Manufacturer and Trader of Specialised Refractories and accordingly a Single Business Segment Group. The Group has adopted the Geographical location of its operations (where its products are produced or service rendering activities are based) as its primary segment and presented the related information accordingly together with corresponding figures for the previous year. The Group's production facilities have been segmented into India, Europe (United Kingdom, Germany and Czech Republic), Asia excluding India (China) and America (USA).

##### II) Inter Segment Transfer Pricing

Inter Segment Prices are normally negotiated amongst the segments with reference to the Costs, Market Prices and Business Risks, within an overall optimisation objective for the Group.

##### III) Segment Revenues, Result and Other Information

	India	Europe	Asia Excluding India	Americas	Total of Reportable Segments
External Sales	<b>82,274.03</b>	<b>26,690.14</b>	<b>1,774.41</b>	<b>27,911.68</b>	<b>1,38,650.26</b>
	77,658.59	25,475.33	1,817.11	20,999.03	1,25,950.06
Inter Segment Sales	<b>1,062.53</b>	<b>812.13</b>	<b>6,493.71</b>	<b>188.41</b>	<b>8,556.78</b>
	1,074.60	1,270.82	5,315.23	273.34	7,933.99
Segment Revenues	<b>83,336.56</b>	<b>27,502.27</b>	<b>8,268.12</b>	<b>28,100.09</b>	<b>1,47,207.04</b>
	78,733.19	26,746.15	7,132.34	21,272.37	1,33,884.05
Segment Result	<b>8,995.65</b>	<b>594.07</b>	<b>352.08</b>	<b>1,141.55</b>	<b>11,083.35</b>
	9,034.66	909.58	348.71	441.50	10,734.45
Segment Assets	<b>81,230.91</b>	<b>27,357.24</b>	<b>2,597.73</b>	<b>17,823.82</b>	<b>1,29,009.70</b>
	77,267.06	20,363.03	2,988.19	16,943.24	1,17,561.52
Segment Liabilities	<b>25,060.37</b>	<b>12,432.52</b>	<b>697.43</b>	<b>3,898.58</b>	<b>42,088.90</b>
	24,415.18	6,089.46	1,190.46	3,509.96	35,205.06
Capital Expenditure (Net)	<b>7,620.67</b>	<b>2,826.33</b>	<b>33.01</b>	<b>204.09</b>	<b>10,684.10</b>
	4,562.29	275.93	5.59	1,352.09	6,195.90
Depreciation and Amortisation	<b>4,428.50</b>	<b>535.00</b>	<b>107.01</b>	<b>484.97</b>	<b>5,555.48</b>
	4,114.41	502.63	149.17	348.12	5,114.33
Non Cash Expenses other than Depreciation	<b>1,682.02</b>	<b>676.44</b>	-	-	<b>2,358.46</b>
	937.63	4.12	-	0.11	941.86

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### IV) Reconciliation of Reportable Segments with the Financial Statements

	Revenues	Net Profit	Assets	Liabilities @
Total of Reportable Segments	<b>1,47,207.04</b>	<b>11,083.35</b>	<b>1,29,009.70</b>	<b>42,088.90</b>
	1,33,884.05	10,734.45	1,17,561.52	35,205.06
Corporate - Unallocated (Net)/Adjustments	<b>1,314.93</b>	<b>(29.42)</b>	<b>13,583.79</b>	-
	1,589.17	-	11,046.50	-
Capital Expenditure - Unallocated	-	-	<b>1,765.22</b>	-
	-	-	-	-
Inter Segment Sales	<b>(8,556.78)</b>			
	(7,933.99)	-	-	-
Finance Costs	-	<b>(484.04)</b>	-	-
	-	(340.78)	-	-
Tax Expense				
- Current tax		<b>(2,371.03)</b>		
	-	(3,506.18)	-	-
- Deferred Tax Credit/(Charge)		<b>(278.29)</b>		
	-	860.65	-	-
As per Financial Statements	<b>1,39,965.19</b>	<b>7,920.57</b>	<b>1,42,593.49</b>	<b>42,088.90</b>
	1,27,539.23	7,748.14	1,28,608.02	35,205.06

@ Excluding Total Equity

### V) Revenue from sales to external customers for customer based Geographical Segments

	Total
India	<b>44,579.22</b>
	35,303.07
United Kingdom	<b>6,627.66</b>
	4,931.72
Europe other than United Kingdom	<b>33,488.74</b>
	36,612.56
Asia Excluding India	<b>14,034.14</b>
	19,311.81
Americas	<b>30,850.53</b>
	23,091.97
Others	<b>9,069.97</b>
	6,698.93
<b>Total Sales</b>	<b>1,38,650.26</b>
	1,25,950.06

Figures in Bold relate to current year

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### 37. ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
IFGL Refractories Limited - Holding Company	<b>61.92%</b>	<b>62,229.27</b>	<b>77.23%</b>	<b>6,117.43</b>	<b>0.23%</b>	<b>3.90</b>	<b>63.60%</b>	<b>6,121.33</b>
	62.77%	58,630.69	81.60%	6,322.16	0.66%	1.39	79.47%	6,323.55
IFGL Worldwide Holdings Limited (IWHL), Isle of Man	<b>14.09%</b>	<b>14,165.45</b>	<b>5.43%</b>	<b>430.04</b>	-	-	<b>4.47%</b>	<b>430.04</b>
	14.35%	13,404.02	(3.02%)	(234.32)	-	-	(2.94%)	(234.32)
El Ceramics LLC, USA	<b>9.04%</b>	<b>9,088.68</b>	<b>11.45%</b>	<b>907.17</b>	-	-	<b>9.43%</b>	<b>907.17</b>
	9.14%	8,536.58	3.86%	299.24	-	-	3.76%	299.24
IFGL Inc., USA	<b>9.04%</b>	<b>9,085.63</b>	<b>13.17%</b>	<b>1,043.50</b>	-	-	<b>10.84%</b>	<b>1,043.50</b>
	8.65%	8,082.32	#0.00%	-	-	-	-	-
Mono Ceramics Inc, USA	<b>7.18%</b>	<b>7,212.32</b>	<b>7.77%</b>	<b>615.31</b>	-	-	<b>6.39%</b>	<b>615.31</b>
	7.46%	6,969.15	0.79%	60.89	-	-	0.77%	60.89
Monotec Refratarios Ltda, Brazil	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Goricon Metallurgical Services Limited, (Wales), UK	<b>#0.00%</b>	<b>0.02</b>	<b>#0.00%</b>	<b>(0.03)</b>	-	-	<b>#0.00%</b>	<b>(0.03)</b>
	#0.00%	0.05	#0.00%	(0.21)	-	-	#0.00%	(0.21)
IFGL Monocon Holdings Limited, UK	<b>5.06%</b>	<b>5,086.50</b>	<b>9.93%</b>	<b>786.28</b>	-	-	<b>8.17%</b>	<b>786.28</b>
	5.32%	4,971.00	-	-	-	-	-	-
Monocon International Refractories Limited, UK	<b>12.94%</b>	<b>13,001.41</b>	<b>12.45%</b>	<b>986.38</b>	-	-	<b>10.25%</b>	<b>986.38</b>
	13.38%	12,501.55	5.65%	438.14	-	-	5.51%	438.14
Sheffield Refractories Limited, UK	<b>2.96%</b>	<b>2,977.99</b>	<b>0.93%</b>	<b>73.92</b>	-	-	<b>0.77%</b>	<b>73.92</b>
	-	-	-	-	-	-	-	-
Monocon Overseas Limited, UK	<b>8.12%</b>	<b>8,164.90</b>	<b>9.92%</b>	<b>786.03</b>	-	-	<b>8.17%</b>	<b>786.03</b>
	8.54%	7,979.75	(0.01%)	(0.50)	-	-	(0.01%)	(0.50)
Hofmann Ceramic CZ s.r.o., Czech Republic	<b>(0.81%)</b>	<b>(818.29)</b>	<b>(0.73%)</b>	<b>(57.52)</b>	-	-	<b>(0.60%)</b>	<b>(57.52)</b>
	(0.73%)	(686.14)	(1.10%)	(85.28)	-	-	(1.07%)	(85.28)
Hofmann Ceramic Gmbh, Germany	<b>4.71%</b>	<b>4,732.67</b>	<b>8.23%</b>	<b>652.13</b>	-	-	<b>6.78%</b>	<b>652.13</b>
	4.08%	3,813.92	8.80%	681.80	-	-	8.57%	681.80
IFGL GmbH, Germany	<b>5.53%</b>	<b>5,553.07</b>	<b>(0.10%)</b>	<b>(7.86)</b>	-	-	<b>(0.08%)</b>	<b>(7.86)</b>
	5.62%	5,250.91	0.15%	11.70	-	-	0.15%	11.70
Tianjin Monocon Refractories Company Limited, China	<b>0.93%</b>	<b>936.94</b>	<b>2.50%</b>	<b>198.29</b>	-	-	<b>2.06%</b>	<b>198.29</b>
	0.78%	733.13	1.25%	97.08	-	-	1.22%	97.08
Tianjin Monocon Aluminous Refractories Company Limited, China	<b>1.73%</b>	<b>1,733.75</b>	<b>2.95%</b>	<b>233.50</b>	-	-	<b>2.43%</b>	<b>233.50</b>
	1.60%	1,495.13	2.39%	185.24	-	-	2.33%	185.24
Consolidation Adjustments/Eliminations *	<b>(42.44%)</b>	<b>(42,645.72)</b>	<b>(61.13%)</b>	<b>(4,844.00)</b>	<b>99.77%</b>	<b>1,699.91</b>	<b>(32.68%)</b>	<b>(3,144.09)</b>
	(40.96%)	(38,279.10)	(0.36%)	(27.80)	99.34%	208.04	2.24%	180.24
<b>Total</b>	<b>100.00%</b>	<b>1,00,504.59</b>	<b>100%</b>	<b>7,920.57</b>	<b>100.00%</b>	<b>1,703.81</b>	<b>100.00%</b>	<b>9,624.38</b>
	100.00%	93,402.96	100%	7,748.14	100.00%	209.43	100.00%	7,957.57

Figures in Bold type relate to current year

\* Consolidation adjustments/eliminations include inter-company eliminations, consolidation adjustments and GAAP differences.

# below rounding off norms.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

### 38. AMALGAMATION WITH ERSTWHILE IFGL REFRACTORIES LIMITED (THE ERSTWHILE HOLDING COMPANY)

Hon'ble National Company Law Tribunal, Kolkata Bench (Tribunal) by passing an Order on 3rd August 2017 under Sections 230 and 232 of the Companies Act, 2013 sanctioned a Scheme of Amalgamation (Scheme) for merger of erstwhile IFGL Refractories Ltd ("IFGL") with the Holding Company on and from 1st April 2016, being the Appointed Date. Scheme had become effective from 5th August 2017 following filing of Order of Hon'ble Tribunal with the Ministry of Corporate Affairs (Registrar of Companies) by the Holding Company and IFGL on that date. The Scheme was accordingly given effect to in the Financial Year 2016-17 Financial Statements.

In accordance with the provisions of aforesaid Scheme—

- The Amalgamation was accounted under the 'Purchase Method' as prescribed by Accounting Standard 14 - Accounting for Amalgamations under the previous GAAP.
- The excess of the value of Equity Shares issued by the Holding Company over the book value of Assets and Liabilities taken over by the Company and cancellation of Equity Shares held by the erstwhile IFGL Refractories Limited in the Holding Company, amounting to ₹ 26,699.46 was recorded as goodwill arising on amalgamation.
- The Goodwill recorded on amalgamation is being amortised and the Holding Company has estimated its useful life of 10 years. Accordingly, amortisation for the year amounting to ₹ 2,669.95 has been recognised in the Statement of Profit and Loss.

### 39. INCOME TAX EXPENSE

This note provides an analysis of the Group's Income Tax Expense, shows amounts that are recognised directly in Equity and how the tax expenses is affected by non assessable and non deductible items. It also explains significant estimates made in relation to tax positions.

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Current Tax Expense recognised in Profit and Loss</b>		
Current Tax (Net of adjustments of Tax relating to earlier years)	2,371.03	3,506.18
<b>Total Current Tax Expense (A)</b>	<b>2,371.03</b>	<b>3,506.18</b>
<b>Deferred Tax Expense recognised in Profit and Loss</b>		
Deferred Tax Charge/(Credit) (Refer Note 40)	278.29	(860.65)
<b>Total Deferred Tax Expense recognised in Profit and Loss (B)</b>	<b>278.29</b>	<b>(860.65)</b>
<b>Deferred Tax Expense recognised in Other Comprehensive Income</b>		
Deferred Tax Charge	2.10	0.75
<b>Total Deferred Tax Expense recognised in Other Comprehensive Income (C)</b>	<b>2.10</b>	<b>0.75</b>
<b>Total Deferred Tax for the Year (B + C)</b>	<b>280.39</b>	<b>(859.90)</b>
<b>Total Income Tax Expense (A + B + C)</b>	<b>2,651.42</b>	<b>2,646.28</b>

Reconciliation of Tax Expense and the accounting profit multiplied by India's Tax rate :

	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Profit Before Tax</b>	10,569.89	10,393.67
<b>Tax at the Indian Tax Rate of 34.944% (2021-22 : 34.944%)</b>	3,693.54	3,631.96
Less : Income Exempted from Taxes	(788.97)	(617.61)
(Less)/Add : Expense not deductible	(102.13)	15.10
Less : Effect of Tax Rate differences of Subsidiaries operating in other jurisdictions and other Tax Brackets	(840.56)	(330.85)
Add/(Less) : Effect of others	689.54	(52.32)
<b>Income Tax Expense</b>	<b>2,651.42</b>	<b>2,646.28</b>

The Holding Company continues to pay Income Tax under older tax regime and have not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 considering other benefits under the Income Tax Act, 1961.

## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

40. Following amendments made by the Finance Act, 2021 to the relevant sections of the Income Tax Act, 1961, whereby Goodwill arising on amalgamation will not be considered as a depreciable asset and depreciation on Goodwill will not be allowable as deductible expenditure effective 1st April 2020, the Holding Company has not claimed deduction of depreciation on such Goodwill under Income Tax for period beginning on that date. The Holding Company management, supported by legal opinions, continues to believe that such deduction claimed in prior assessment years are sustainable and remain unaffected. During the year, the Holding Company's claim of ₹ 2,815.91 (Tax Impact of ₹ 983.99) towards such deduction for Assessment Year 2020-21 has been disallowed. Being aggrieved thereby, the Holding Company has filed an appeal before the Commissioner of Income tax (Appeals).

### 41. Business Combination

Monocon International Refractories Limited UK, (MIRL) being Step Down operating Subsidiary of the Holding Company acquired 100% shareholding of Sheffield Refractories Limited, UK (SRL) an unlisted Company engaged in the business of manufacture and sale of Monolithic Refractory Products for Total Consideration of ₹ 4,981.24 (equivalent to GBP 5.0 Million Cash Consideration and GBP 0.1 million towards Costs of Acquisition) on 24th February 2023 to offer bigger basket of products and acquire new customer relationships. Effective that date, SRL became Subsidiary of MIRL and consequently Step Down Subsidiary of Holding Company. In accordance with Ind AS 103 – Business Combination, the aforesaid purchase consideration has been allocated to Property, Plant and Equipment, Current Assets and Current Liabilities based on their respective Fair Values and to borrowings assumed based on amortised cost. The Holding Company has also recognised Intangible Assets towards Customer Relationships and Brand Name/ Trade Marks, based on Valuation carried out by an Independent Valuer. The balance amount of purchase consideration has been recognised in these results as Goodwill.

#### Assets acquired and Liabilities assumed as on 24th February 2023

The values of the identifiable Assets and Liabilities of SRL as at the Date of Acquisition were :

	Total
<b>Assets</b>	
Property, Plant and Equipment	1,742.34
Inventories	<b>1,936.87</b>
Trade Receivables @	3,398.85
Cash and Cash Equivalents	<b>160.42</b>
<b>Total (A)</b>	<b>7,238.48</b>
<b>Liabilities</b>	
Borrowings	2,583.63
Other Current Liabilities	1,882.79
<b>Total (B)</b>	<b>4,466.42</b>
<b>Total Net Assets acquired (A) - (B) = (C)</b>	<b>2,772.06</b>
Brand Name/Trade Marks	1,333.96
Customer Relation	431.27
Goodwill arising on Business Combination	443.95
<b>Total Purchase Consideration including Cost of Acquisition (D)</b>	<b>4,981.24</b>

The Goodwill of ₹ 443.95 comprises the Value of expected synergies arising from the Acquisition of SRL for the aforesaid objectives. Both Brand Value/Trade Marks and Customer Relation meet the criteria for recognition as an Intangible Asset under IND AS 38.

@ None of the Trade Receivables is Credit Impaired and it is expected that the full contractual amounts can be collected.

### 42. OTHER STATUTORY INFORMATION

- The Holding Company does not have any Benami Property, for which any proceeding has been initiated or pending against the Holding Company under the Benami Transactions (Prohibition) Act, 1988 and Rules made there under.
- The Holding Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- The Holding Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.



## Notes to the Consolidated Financial Statements (Contd.)

(₹ in lakhs)

- iv. The Holding Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The Holding Company has not received any fund from any person(s) or entity(ies), including Foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi. The Holding Company does not have any such transaction which is not recorded in the books of accounts and has been surrendered or disclosed as Income during the year in the Tax Assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- vii. There are no exceptional items for the year ended 31st March 2023.
- viii. During the previous year, the Holding Company had one transaction with the struck off Company. Details are as given below :

Name of the Company	Nature of Transaction	Balance Outstanding as on 31st March 2023	Balance Outstanding as on 31st March 2022	Relationship with the Struck off Company
Bertina Manpower Solution Private Limited *	Manpower Supply	-	4.87	None

\* The amount was paid during the year.

43. Expense for the year ended 31st March 2022 includes provision for Trade Receivables aggregating to ₹ 1,027.18 (reported under "Other Expenses"), provision for Inventories aggregating to ₹ 507.64 despatched by the Company but yet to be delivered to two customers located in the Mariupol, Ukraine under the terms of underlying contracts (reported under ["(Increase)/ Decrease in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress"]) and reversal of Sales Commission aggregating ₹ 138.42 (reported under "Other Expenses") accrued in respect of aforesaid Sales.
44. The Indian Parliament has approved the Code on Social Security, 2020 ('the Code') which, inter alia, deals with Employee Benefits during Employment and post Employment. The Code has been published in the Gazette of India. The effective date of the Code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of the change, if any, will be assessed and recognized post Notification of the relevant Provisions.
45. Previous year figures have been re-grouped/rearranged, where necessary.

In terms of our Report attached.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number : 301003E/E300005

per **Bhaswar Sarkar**

Partner

Membership No. 055596

Kolkata

27th May 2023

For and on behalf of the Board of Directors

**S K Bajoria**

Chairman

(DIN - 00084004)

**James L McIntosh**

Managing Director

(DIN - 09287829)

**Kamal Sarda**

Director and Chief Executive Officer

(DIN - 03151258)

**Mansi Damani**

Company Secretary

(FCS - 6769)

**Amit Agarwal**

Chief Financial Officer





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## IFGL REFRACTORIES LIMITED

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