

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS

Dear Shareholders

Your Directors present the 26th Annual Report together with Statement of Profit and Loss for the Financial Year ended on 31st March 2015 (FY 2014-2015) and Balance Sheet as on that date along with Notes, Cash Flow Statement and Auditors' Report forming part thereof.

Performance highlights of your Company for FY 2014-2015 on Consolidated and Standalone basis are as follows :

	(₹ in Millions)	
	Consolidated	Standalone
Total Revenue	7,934.69	3,381.71
Total Expenses	6,945.91	2,892.28
EBIDTA	988.78	489.43
Finance Cost	58.60	18.92
Depreciation and Amortisation Expense	142.93	55.41
Profit before Tax	787.25	415.10
Provision for Current Tax/Deferred Tax	253.95	146.47
Profit after Tax excluding Minority Interest	533.30	268.63
Earning Per Share (₹)	15.12	7.54

This performance, including that of your Subsidiary Companies, was achieved despite overall subdued market conditions and depreciation of the Euro, which is the major currency for export for your Company. Strengthening of US Dollar against major currencies including Pound Sterling also impacted financials on consolidation. Your Directors however took several steps to contain the impact. The underlying Revenue and Profit before Tax on Fixed Exchange Rate (Euro - ₹ 83, USD - ₹ 62 and GBP - ₹ 100) is ₹ 7,999.20 Millions and ₹ 888.90 Millions respectively. Furthermore, your Company has quality ISO-9001 : 2008 and ISO 14001:2004 Certifications from TUV NORD CERT GmbH.

Dividend

In view of satisfactory financial performance, your Directors are happy to recommend payment of Dividend @ ₹ 2/- i.e. 20% on Equity Shares of ₹ 10/- each for FY 2014-2015, subject to necessary approvals, including yours at the ensuing Annual General Meeting. This is following your Company's Policy of distributing maximum possible available profits amongst the Shareholders. Dividend recommended is higher by ₹ 0.25 i.e. 2.50% than that paid for FY 2013-2014.

Your Company has redeemed 1,450,000 – 5% Redeemable Non Cumulative Preference Shares of ₹ 100/- each and have paid Dividend @ ₹ 5/- i.e. 5% on a pro-rata basis for period ended on 21st February 2015, for FY 2014-2015, to holders thereof on the record date. In connection with redemption of Preference Shares, ₹ 94 Millions have been transferred to Capital Redemption Reserve during FY 2014-2015.

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS (Contd.)

Subsidiaries

Due to subdued market conditions, especially in Europe and the weakening of the Euro & Pound Sterling, the Revenue and Profit have been below budget of your Subsidiary Companies, exception being the German Subsidiary. At the level of IFGL Worldwide Holdings Limited, which holds all the overseas subsidiaries, the Total Revenue, PBT and PAT was £ 46 Millions, £ 4.1 Millions and £ 3.0 Millions, respectively. However, on a Fixed Exchange Rate the underlying would be £ 45.5 Millions, £ 4.2 Millions and £ 3.1 Millions respectively.

Expansion and New Products

Company's subsidiary in the US [EI Ceramics LLC (EIC)] completed capacity expansion of Continuous Casting Isostatic Refractories from 85,000 pcs to 126,000 pcs per annum. EIC has also set up facilities for manufacture of 10,000 pcs per annum of Clay Graphite Stopper Rods for Foundries. Capacity expansion is also undergoing at Company's Indian Subsidiary, IFGL Exports Limited engaged in manufacture of ISO Refractories at Kandla SEZ in Gujarat (India).

Hipercast Filters introduced by German Subsidiary, Hofmann Ceramic GmbH (Hofmann) for Foundries performed well and consequently lead to improvement in margins.

To further promote your Company's business in Gulf region, a Branch Office has been opened in RAS Al Khaimah FTZ near Dubai.

Industry Structure, Developments, Opportunities, Threats, Risks and Concerns and Future Outlook

While the World Steel production grew around 1%, India grew at 3%, whereas China's growth slowed considerably. The weak sentiments prevalent in Europe, dampened the 1.8% growth in the Steel Industry.

Besides organic growth including through new products for Iron and Steel and Foundry Industries, your Company is on lookout for Inorganic Growth opportunities.

On and from 1st May 2015, Mr Giorgio Cappelli, a Doctorate in Industrial Chemistry from Milano University and former COO of the Steel Division and Board Member of RHI AG, Viena, has been appointed as a Director of your Company's UK operating Subsidiary, Monocon International Refractories Limited (MIRL). He will also be a Consultant to MIRL, Hofmann and EIC. Presence of Mr Cappelli will greatly help your Company also to pursue its growth endeavors.

Your Company has exited from Bio Ceramic business, being an activity not germane to main activity of Manufacturing Specialized Refractories for Iron and Steel Industry and Foundry Ceramics.

Corporate Governance/Internal Control System and their adequacy

Detailed Report on Corporate Governance Compliance duly certified by your Company's Statutory Auditors form part of this Report as **Annexure 'A'**. Corporate Governance Policies and Procedures practiced by your Company is one of the tenets of its continued philosophy for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

Whistle Blower Policy has been amended to include Vigil Mechanism. Policy for Anti-Sexual Harassment of Women at work place has also been implemented and is monitored closely by the Audit Committee through Internal Complaints Committee headed by the Chief Human Resource Officer of your Company. During FY 2014-2015 no complaint has been received under these Policies. Policies and Systems for Internal Control including Financial, Risk Management, and Transfer Pricing commensurate to nature of business and size of your Company are in place and are reviewed and updated from time to time as and when necessary.

Disclosure of Information

Form MGT-9, being extract of Annual Return, form part of this Report as **Annexure 'B'**. Several matters including those provided at Section 134(3) of the Companies Act, 2013 (the Act) read with relevant provisions of the Companies (Accounts) Rules 2014 and Clause 49 of the Listing Agreement required to be included herein, have been dealt in Annexures hereto including Audited Financial Statements and Notes forming part thereof and thus have not been included herein again, for brevity. Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given in **Annexure 'C'**. Transactions entered into with related parties have been in ordinary course of your Company's

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS (Contd.)

business at arms length and hence, details thereof have not been given in Form AOC-2. Formal Annual Evaluation has been made by your Board of its performance and that of its Committees and individual Directors - further details are appearing in Report on Corporate Governance, being Annexure 'A' hereto.

In order to strengthen Investor Relations your Company is having Quarterly Presentations, Conference Calls and Interaction, following Announcement of Quarterly and Annual Results. The participation in these are steadily increasing.

Accounts of Subsidiary Companies

A statement in Form AOC-1 having financial information of Subsidiary Companies form part of this Annual Report as **Annexure 'D'**. Shareholders of the Company and those of Subsidiary Companies who are desirous of having complete Statement of Accounts and related detailed information of Subsidiary Companies, may send their request therefor either to the Company's Registered Office or to Head and Corporate Office. The same are being kept for inspection at Head Offices of your Company and Subsidiary Companies and also available on your Company's website i.e. www.ifglref.com.

Directors Responsibility Statement

Your Directors state that :

- a) in preparation of the Annual Accounts, the 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 financial year 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 the 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 the provisions of all applicable laws have been devised and that such systems are adequate and operating effectively.

Your Company's Statutory Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants have audited the Statement of Accounts in accordance with Generally Accepted Accounting Standards and Practices as indicated in their Report.

CSR, Human Resources and Industrial Relations

Your Company has in place a Committee of the Directors on Corporate Social Responsibility. For details regarding constitution, reference is drawn to Corporate Governance Report, Annexure 'A'. Annual Report in compliance of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is forming part as **Annexure 'E'**.

Your Company has constituted a Nomination and Remuneration Committee of Directors following provisions of Section 178(1) of the Act and brief details thereof are also contained in Corporate Governance Report. Based on recommendation of this Committee, your Board has adopted a Policy, which is hosted on your Company's website www.ifglref.com. For the sake of brevity said Policy has not been reproduced here.

5 persons employed throughout FY 2014-2015 were in receipt of remuneration of ₹ 60 lacs per annum or more. None was employed for part of the year and received remuneration of ₹ 5 lacs per month or more. As on 31st March 2015, your Company had 369 permanent employees. An Annexure having information following provisions of Sections 134(3)(q) and 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Person) Rules, 2014 form part of this Report. This Annexure is however not being sent to Members as per provisions of Section 136 of the Act. Members desirous of having Annexure may write to the Company Secretary at the Registered Office. However the Annexure will also be available for inspection by the Members at Company's Registered Office upto conclusion of

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT TO THE SHAREHOLDERS (Contd.)

forthcoming Annual General Meeting. None of the Employees listed in the Annexure is a relative of any Director of the Company. None of the Employees, excepting your Chairman, hold (by himself or alongwith his spouse) more than two percent of Total Equity Share Capital of your Company.

During FY 2014-2015, Industrial Relations continued to remain cordial. Your Company continued to provide conducive working environment to its team members and empowered them by trainings on latest techniques and practices. Compensation Packages and benefits provided compare favourably with those offered by others in the Refractory Industry.

Consolidated Financial Statements

In accordance with Accounting Standard 21 and other relevant provisions particularly Section 129(3) of the Act, Consolidated Financial Statements duly audited by Statutory Auditors, M/s Deloitte Haskins & Sells form part of this Annual Report. Consolidated Financial Statements have been prepared based on Financial Statements (including Consolidated) of immediate two Subsidiary Companies i.e. IFGL Worldwide Holdings Limited and IFGL Exports Limited, as approved by their respective Boards.

Directors

Director due to retire by rotation at ensuing Annual General Meeting is Mr Kunal Dalmia and he being eligible, has offered himself for re-appointment. Mr Sadayoshi Tateishi, a Senior Executive of Krosaki Harima Corporation (KHC), Japan, has vacated his office as a Director of your Company. Your Board places on record sincere appreciation for contributions made by him as a Director of your Company. Your Directors have appointed Mr Hisatake Okumura, a Senior Executive of KHC and also a Director of your Indian Subsidiary as an Additional Director of your Company effective to-day. Mr Okumura will cease to hold his office of Director at ensuing Annual General Meeting and has offered himself for further period as a Director liable to retire by rotation. Prof Bharati Ray, joined the Board of your Company as an Additional Director on 3rd September 2014, as its first Lady Director, will also cease to hold her office at ensuing Annual General Meeting. She has also offered herself to be appointed as an Independent Director of your Company for a term of five consecutive years upto the conclusion of the 31st Annual General Meeting. These appointments will be in conformity with relevant provisions including Sections 149, 150, 152 of the Act and Rules framed thereunder. Ordinary Resolutions and Explanatory Statement wherever necessary, in respect of these form part of Notice of your ensuing Annual General Meeting.

Profile of your Directors seeking re-appointment/appointment is also forming part of Notice of your ensuing Annual General Meeting.

Secretarial Audit

M/s S M Gupta & Co., Practicing Company Secretaries have carried out Secretarial Audit following provisions of Section 204 of the Act. Their Report in MR-3 does not contain qualifications and form part hereof as **Annexure 'F'**.

Auditors' Report and Auditors

Report of the Auditors, including references made therein to the Notes forming part of the Statement of Accounts, are self explanatory.

Auditors, M/s Deloitte Haskins & Sells (Regn No. 302009E), Chartered Accountants will retire at conclusion of 30th Annual General Meeting. Following provisions of Section 139 of the Act, their appointment as Auditors of your Company is required to be ratified at ensuing Annual General Meeting.

Acknowledgement

Your Directors place on record their sincere appreciation for continued support received from all the stakeholders particularly you the Shareholders.

On behalf of the Board of Directors

Kolkata
16th May 2015

S K Bajoria
(DIN : 00084004)
Chairman

P Bajoria
(DIN : 00084031)
Managing Director

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE

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

The Report on compliance of conditions of the Corporate Governance in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges by your Company is given below.

2. Board of Directors

Composition of Board of Directors as at 31st March 2015

Category	No. of Directors	%
Executive Directors	2	18
Non-Executive Directors	2	18
Non-Executive Independent Directors	6	55
Non-Executive Independent Woman Director	1	9
	11	100

Mr S K Bajoria is designated as the Chairman of the Company.

Composition, Category, their Directorship and Committee Memberships in other Companies

Name of Directors	Category of Directors	Members of the Board of other Public Limited Companies incorporated in India	Total Number of Committee (d) Membership held in other Public Limited Companies [excluding Private Limited Companies, Foreign Companies and Companies of Section 8 of the Companies Act, 2013 (the Act)]	
			As Chairman	As Member
P Bajoria	Executive	3	–	–
S K Bajoria (a)	Executive	3	–	–
D K Banerji	Non-Executive (c)	–	–	–
K Dalmia	Non-Executive	–	–	–
S Khasnobis	Non-Executive (c)	–	–	–
Prof S Munshi	Non-Executive (c)	–	–	–
D G Rajan	Non-Executive (c)	4	4	–
Prof Bharati Ray	Non-Executive (c) (w.e.f. 03.09.2014)	–	–	–
Prof A N Sadhu	Non-Executive (c)	4	2	–
K S B Sanyal	Non-Executive (c)	4	2	1
S Tateishi (b)	Non-Executive	1	–	–

None of the above Directors are related inter-se.

- Also Promoter.
- A Senior Executive of Krosaki Harima Corporation, Japan, being Foreign Promoter and Technical Collaborator of your Company.
- Also Independent.
- Only 2 (two) Committees viz Audit Committee and Stakeholders Relationship Committee are considered.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

None of the Directors of the Company's Board hold the office of Director in more than the permissible number of Companies under Section 165 of the Companies Act, 2013 (the Act) read with Clause 49(II)(B)(2) of the Listing Agreement. Also, the Committee Chairmanships/Memberships are within the limits laid down in Clause 49 of the Listing Agreement. All Executive and Non-Executive (excluding Independent) Directors are liable to retire by rotation. The appointment of the Executive Directors, including tenure and terms of remuneration are also approved by the Members. Appointment of Non-Executive Directors, save as otherwise expressly provided in the Act, is made at the Company's General Meeting.

Non-Executive Directors (other than Mr K Dalmia) do not have any pecuniary relationship and/or transaction with your Company other than payment of Sitting Fees (as indicated in paragraph 3C below) and/or reimbursement of out-of-pocket expenses for attending meetings of the Board and/or Committee(s) thereof. The Company pays sitting fees as follows per meeting per Director for attending meeting of the Board/Committees within the limit prescribed under the Act.

Board Meeting	₹ 20,000/-
Audit Committee Meeting	₹ 10,000/-
Corporate Social Responsibility Committee Meeting	₹ 5,000/-
Nomination and Remuneration Committee Meeting	₹ 5,000/-
Investment Committee Meeting	₹ 5,000/-
Stakeholders Relationship Committee Meeting	₹ 5,000/-

For Mr K Dalmia's pecuniary relationship, please refer to paragraph 5 below.

Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)

During the Financial Year (FY) ended on 31st March 2015, the Board met 4 (four) times. The details of Board Meetings held during the FY 2014-2015 are as under :

Date of Board Meeting	No. of Directors present
10th May 2014	8
14th August 2014	6
8th November 2014	10
14th February 2015	9

The intervening period between two Board Meetings was well within the maximum gap of four months prescribed under Clause 49 of the Listing Agreement.

Name of Directors	Number of Board Meetings		Attended last AGM held on 22nd August 2014
	Held	Attended	
P Bajoria	4	4	Yes
S K Bajoria	4	4	No
D K Banerji	4	4	No
K Dalmia	4	1	No
S Khasnobis	4	3	No
Prof S Munshi	4	3	No
D G Rajan	4	4	No
Prof Bharati Ray@	2	2	-
Prof A N Sadhu	4	4	No
K S B Sanyal	4	4	Yes
S Tateishi@@	4	-	No

@ Became Director w.e.f. 03.09.2014.

@@ Following provisions of Section 167(1)(b) of the Act has vacated his office.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)
Information placed before the Board

Board Meetings of the Company are governed by a structured agenda. The Board members, in consultation with the Chairman may bring up any matter for consideration of the Board. All major Agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The required information as enumerated in Annexure X to Clause 49 of the Listing Agreement is made available to the Board Members for discussion and consideration at Board Meetings.

3. Committees of the Board

Your Company has five Board level Committees :

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

The terms of reference of the Board Committees are determined by the Board from time to time. Minutes of Board Committee Meetings are placed in subsequent Board Meetings for the information of the Board. The role and composition of these Committees including details of Meetings held during FY and the attendance thereof are provided herein below :

A. Audit Committee

Your Company has an Audit Committee (the Committee) comprising of following three Non-Executive Independent Directors. All of them are financially literate and have accounting or related Financial Management expertise.

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	4	4
D G Rajan	Member	4	4
Prof A N Sadhu	Member	4	4

During FY ended on 31st March 2015, 4 (four) meetings of the Committee were held on 10th May 2014, 14th August 2014, 8th November 2014 and 14th February 2015. The gap between two meetings never exceeded four months.

Head of Finance, Internal Auditors and Statutory Auditors also attended said meetings as and when required by the Committee. Mr R Agarwal, Company Secretary, is the Secretary to the Committee.

Unaudited Quarterly and Audited Annual Financial Results were reviewed, analysed and confirmed by the Committee before they were approved by the Board of Directors for submission to the Stock Exchanges and publication in Newspapers in compliance of Clause 41 of the Listing Agreement.

Terms of reference of the Committee include the powers and role including review of information, as specified in Clauses 49III(C), 49III(D) and 49III(E) of the Listing Agreement, of the Company as well as that of its Subsidiary Companies.

B. Corporate Social Responsibility Committee

Corporate Social Responsibility Committee (the Committee) was constituted on 10th May 2014 in compliance of Section 135 of the Act and Rules framed thereunder. Following its role and responsibility, the Committee has formulated and recommended to the Board a Policy indicating CSR activities to be undertaken, expenditure to be incurred on account thereof and monitoring the same on an ongoing basis. Following Directors are the Members of the Committee :

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	3	3
D K Banerji	Member	3	3
S K Bajoria	Member	3	3

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

During FY ended on 31st March 2015, 3 (three) meetings of the Committee were held on 14th August 2014, 8th November 2014 and 14th February 2015.

C. Nomination and Remuneration Committee

Role of the Nomination and Remuneration Committee (the Committee) inter alia is to formulate 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 include determination on behalf of the Board of Directors and on behalf of the Shareholders, the Company's 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.

In compliance of Clause 49(IV)(B)(2) of the Listing Agreement, the Committee has laid down criteria for evaluation of performance of Independent Directors and the Board, which inter alia include 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, performance of which is to be evaluated, at their first meeting of each of FY shall evaluate performance and based on such evaluations, whether to extend or continue term of the appointment of the Independent Directors will be determined.

The Committee comprises of following Non-Executive Independent Directors :

Name of Directors	Position	No. of Meetings	
		Held	Attended
Prof A N Sadhu	Chairman	4	4
D G Rajan	Member	4	4
K S B Sanyal	Member	4	4

During the FY ended on 31st March 2015, 4 (four) meetings of the Committee were held on 10th May 2014, 14th August 2014, 8th November 2014 and 14th February 2015.

Details of remuneration paid/payable to the Executive Directors and Non-Executive Directors for FY 2014-2015 are as follows :
(₹ in lacs)

Name of Directors	Salary and other benefits				Sitting Fees	
	Salary (including House Rent Allowance)	Commission	Contribution to Provident and other Funds	Other Perquisites	Board Meetings	Committee Meetings
P Bajoria (e)	136.80	12.00	71.20	6.34	-	-
S K Bajoria (e)	99.00	44.00	58.18	16.37	-	-
D K Banerji	-	-	-	-	0.80	0.15
K Dalmia	-	-	-	-	0.20	-
S Khasnobis	-	-	-	-	0.60	0.15
Prof S Munshi	-	-	-	-	0.60	-
D G Rajan	-	-	-	-	0.80	0.60
Prof A N Sadhu*	-	-	-	-	-	-
Prof Bharati Ray@	-	-	-	-	0.40	-
K S B Sanyal	-	-	-	-	0.80	1.40
S Tateishi@@	-	-	-	-	-	-

* Waived entitlement to Sitting Fees.

@ Director from 03.09.2014.

@@ Following provisions of Section 167(1)(b) of the Act has vacated his office.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

- e) i) Service Contract - 5 years (from 1st April 2010 to 31st March 2015)
ii) Notice period - 3 months Notice from either side
iii) Severance Fees - 3 months salary in lieu of Notice
iv) Commission - 1% of the 'Net Profit' eligible subject to total remuneration not exceeding 5% thereof for the FY.
v) Have been Re-appointed for five years from 1st April 2015 and in this regard, Special Resolutions were passed at last Annual General Meeting of the Shareholders held on 22nd August 2014.

No stock option was given to the Directors during the FY 2014-2015.

D. Stakeholders Relationship Committee

The Stakeholders Relationship Committee (the Committee) comprises of following Directors :

Name of Directors	Position	No. of Meetings	
		Held	Attended
K S B Sanyal	Chairman	13	13
S K Bajoria	Member	13	8
P Bajoria	Member	13	11

During the FY ended on 31st March 2015, 13 (thirteen) meetings of the Committee were held and gap between two meetings never exceeded 30 (thirty) days.

Role of the Committee include redressal of Shareholders' complaints relating to Transfer/Transmission of Shares, Exchange of Share Certificates, Non-Receipt of Balance Sheet, Non-Receipt of declared Dividends etc.

Pursuant to Clause 49VIII(E)(5) of the Listing Agreement, the Board of the Company has delegated the power of Share Transfer to the Company Secretary, Mr R Agarwal subject to ratification at the immediately succeeding meeting of the Committee.

Status of complaints of Shareholders/Investors is as under :

Number of complaints pending as on 1st April 2014	–
Number of complaints received during the FY	18
Number of complaints redressed during the FY	18
Number of complaints pending as on 31st March 2015	–

Most of the complaints received related to exchange of Share Certificates (a) consequent to reduction of paid up capital of Equity Shares of the Company in the year 1996 and (b) amalgamation of Indo Flogates Limited with the Company on and from 1st April 1999 pursuant to Orders of Hon'ble Orissa High Court of 5th November 1996 and 3rd August 2000 respectively, registration of Transfer/Transmission of Equity Shares, Issuance of Duplicate Share Certificates, Non-Receipt of Dividend Warrants and Annual Reports.

E. Investment Committee

The Board has constituted an Investment Committee (the Committee), which comprises of following Directors :

Name of Directors	Position	No. of Meetings	
		Held	Attended
S K Bajoria	Chairman	4	4
P Bajoria	Member	4	4
S Khasnobis	Member	4	3

During the FY ended on 31st March 2015, 4 (four) meetings of the Committee were held on 10th May 2014, 14th August 2014, 8th November 2014 and 14th February 2015.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

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

4. General Body Meetings

Location and Time, where last three AGMs were held

AGM	FY	Date	Time	Place
23rd	2011-2012	Friday, 24th August 2012	11 AM	Sector 'B', Kalunga Industrial Estate P.O. Kalunga 770 031, Dist. Sundergarh, Odisha
24th	2012-2013	Friday, 23rd August 2013	11 AM	-do-
25th	2013-2014	Friday, 22nd August 2014	11 AM	-do-

Special Resolutions passed at the last 3 (three) AGMs

FY	Items
2011-2012	None.
2012-2013	i) Change in Remuneration and payment of Minimum Remuneration to Mr S K Bajoria. ii) Payment of Minimum Remuneration to Mr P Bajoria.
2013-2014	i) Re-appointment of Mr S K Bajoria as Chairman for a period of five years from 1st April 2015 and payment of Remuneration. ii) Re-appointment of Mr P Bajoria as Managing Director for a period of five years from 1st April 2015 and payment of Remuneration. iii) Under Section 180(1)(c) of the Act for borrowing from time to time but not exceeding Rs. 500 crores and provide security in respect thereof in accordance with provisions of Section 180(a) of the Act. iv) Under Section 188 of the Act for Mr Akshay Bajoria, son of Mr P Bajoria, to hold an office or place of profit. v) Under Section 188 of the Act for entering into contracts/arrangements for sales, purchases etc with related parties. vi) For alteration of Articles of Association.

Postal Ballot

The Company did not conduct any business through Postal Ballot during FY under review.

5. Disclosures :

- A Statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee. All transactions with the related parties have been on an arms length basis. A Policy on transactions with related parties have also been formulated, which has been hosted on Company's website www.ifglref.com.
- The Company did not have any materially significant related party transactions, which may have potential conflict with interest of the Company.
- While preparing Financial Statements for the FY under review, no accounting treatment which was different from that prescribed in the Accounting Standard has been followed.
- For disclosures of related party relationship and transactions as per Accounting Standard 18, "Related Party Disclosures", Note 33 to the Annual Audited Accounts of the Company for the FY ended 31st March 2015 may be referred to.
- The Company, during the FY under review, continued to supply Refractories (of unique/special nature) to a company (where Mr K Dalmia, a Director of the Company happens to hold Directorship) as per the latter's requirements from time to time at prices and terms which were negotiated and mutually agreed. The Company has necessary approval in this regard from the Regional Director, Eastern Region, Ministry of Corporate Affairs at Kolkata under Section 297

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

of erstwhile Companies Act, 1956. In the Annual General Meeting of the Shareholders held on 22nd August 2014, a Special Resolution under Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 has also been passed with regard to transactions with related parties.

- Resume and other information of the Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting are given in the Notice relating thereto to the Shareholders as required under Clause 49 VIII(E)(1) of the Listing Agreement.
- Nomination and Remuneration Committee has devised a Policy on Board Diversity, a copy whereof is hosted on Company's website www.ifglref.com.
- A Management Discussion and Analysis Report has been included as a part of the Directors' Report to the Shareholders for FY ended 31st March 2015.
- In accordance with requirement of Corporate Governance the Board of Directors of the Company has formulated a Code of Conduct for Board of Directors including Independent Directors and Senior Management Personnel of the Company and the compliance thereof has been affirmed by all concerned. The Code provide for duties of Independent Directors as laid down in the Act. Required declaration to this effect signed by the Managing Director is appended as a separate Annexure to this Report. This Code of Conduct has also been hosted on Company's website www.ifglref.com.
- No strictures were imposed on the Company by any regulatory authority on any matter related to capital markets during the last three years.
- IFGL Exports Limited (IEL) is a Non Material Indian Subsidiary of the Company. Following principles of good Corporate Governance, Mr K S B Sanyal, being one of the Independent Directors of the Company, is also a Director on the Board of said IEL.
- Minutes of Subsidiaries, are placed before the Board of the Company and attention of the Directors is drawn to significant transactions and arrangement entered into by said Subsidiary Companies. The Company has formulated Policy for determining Material Subsidiaries and such Policy is hosted on Company's website www.ifglref.com. The Company however had/has no Material Subsidiary.
- The Company has laid down procedures to inform the Board Members about the risk assessment and minimisation procedures. These procedures are periodically reviewed to ensure that Executive Management control risks through means of a properly defined framework.
- In accordance with Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 1992, as amended in February 2002, the Board of Directors of the Company has formulated the Code of Conduct for Prevention of Insider Trading in Securities of the Company by its Directors and Employees. This Code has however been modified inasmuch as subsequent to Notification on 15th January 2015 of Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, which is effective from 15th May 2015, the Board has formulated a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information and have hosted a copy thereof on Company's website www.ifglref.com. For the purposes of the new SEBI Insider Trading Regulations, the Company Secretary has also been appointed as Compliance Officer and Chief Investor Relations Officer.
- The Company has also appointed Strategic Growth Advisors Private Limited (Mr Samir Shah) of 402, Pressman House, Near Orchid Hotel, 70A, Nehru Road, Vile Parle (East), Mumbai 400 099 as Investor Relations Advisors. Quarterly Results and presentation made to analysts are hosted on Company's website www.ifglref.com. Similarly transcripts of Quarterly Conference Calls on Financial Performance are also hosted on Company's website.
- The Board of Directors of the Company has also put in place a Policy on Prevention of Sexual Harassment following provisions of Sexual Harassment of Women at Workplace Act, 2013 and Rules framed thereunder. Copy of said Policy has been hosted on the Company's website www.ifglref.com. During FY 2014-2015, no complaint regarding Sexual Harassment was received.
- The Board of Directors of the Company have received a Certificate from the Managing Director and Chief Financial Officer of the Company in compliance of Clause 49(IX) of the Listing Agreement.
- The Company has a Whistle Blower Policy, whereby Vigil Mechanism has been established for Directors and Employees, both permanent and temporary, to report concerns about unethical conduct and improper practices or alleged fraud

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

or violation of the Company's 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 providing for adequate safeguards against victimization of persons availing mechanism of the same and also providing for direct access to the Chairman of the Audit Committee in exceptional cases, has been hosted on Company's website www.ifglref.com.

- Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, Certificates, on half year basis, have been issued by a Company Secretary-in-Practice for due compliance of Share Transfer formalities by the Company.
- 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. The Audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of Shares in physical form and the total number of Shares in dematerialised form (held with NSDL and CDSL).
- All mandatory requirements have been complied with. Compliance of non mandatory requirements are dealt with at the end of the Report. Quarterly Compliance Reports in format prescribed have been sent to Stock Exchanges within maximum of 15 days from the close of quarter.
- The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges.
- Tenure of some of the Independent Directors is more than nine years in aggregate considering their respective initial date of induction on the Board. None of the Independent Directors has/is serving as Independent Directors in more than seven listed Companies. Formal letters of appointment have been issued and hosted on Company's Website. Prof Bharati Ray is proposed to be appointed as an Independent Director immediately after conclusion of ensuing Annual General Meeting and soon thereafter, her letter of appointment will be issued and hosted on Company's Website.
- During FY 2014-2015, a meeting of the Independent Directors was held on 14th February 2015, whereat all of them were present. Independent Directors were familiarized with their roles, rights and responsibilities in the Company, nature of industry in which the Company operates, business models of the Company etc. One of the presentations made at such familiarization programme, by Statutory Auditors, Deloitte Haskins and Sells is hosted on the Company's website www.ifglref.com.
- In a meeting held recently, the Independent Directors inter alia reviewed performance of the Non Independent Directors and the Board as a whole and the Chairman of the Company 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 assessed. These were found to be satisfactory.
- No Director of the Company is related to any other Director of the Company.
- Particulars of Equity Shares of ₹10/- each of the Company held by Non-Executive Directors (both own or held by/for other person on a beneficial basis) are as follows :

Name of Directors	Number of Shares held
Prof A N Sadhu	850
D G Rajan	490
K S B Sanyal	Nil
K Dalmia	Nil
S Tateishi	Nil
S Khasnobis	Nil
D K Banerji	Nil
Prof S Munshi	Nil
Prof Bharati Ray	Nil

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)
6. Means of Communication

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

- Quarterly results of the Company are announced within 45 days of the completion of the Quarter and Audited Annual Results are announced within 60 days of end of last Quarter and Stock Exchanges are immediately intimated after the same is taken on record by the Board. Further coverage is given for the benefit of the Shareholders and Investors by publication of the Financial Results in the Business Standard and Pragativadi, an Odia newspaper widely circulating in the State of Odisha. The Company however does not send half yearly reports to the Individual Shareholders.
- Audited/Unaudited Financial Results and other pertinent information are also available on the Company's website i.e. www.ifglref.com, website of National Stock Exchange of India Limited i.e. www.nseindia.com and website of BSE Limited i.e. www.bseindia.com.
- Information relating to Shareholding Pattern, entire Annual Report of the Company and its Subsidiaries and Corporate Announcements/Press Releases made by the Company are also uploaded on Company's website i.e. www.ifglref.com.

7. General Shareholder Information

Date	Saturday, 22nd August 2015
Time	11 AM
Venue	Company's Registered Office at Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha.
Financial Calendar 2015-2016 (tentative and subject to change)	<ul style="list-style-type: none"> Financial Year - April to March First Quarter Results - by second week of August 2015 Second Quarter Results - by second week of November 2015 Third Quarter Results - by second week of February 2016 Audited Results for the year ending 31st March 2016 - by last week of May 2016
Book Closure Period	Tuesday, 18th August 2015 to Saturday, 22nd August 2015
Dividend Payment Date	Thursday, 27th August 2015

Listing on Stock Exchanges

Name of the Stock Exchange	Address	Stock Code
National Stock Exchange of India Limited	'Exchange Plaza' C-1, Block G, Bandra-Kurla Complex, Bandra(E), Mumbai 400 051	IFGLREFRAC(EQ)
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	532133

The Listing Fees for the FY 2015-2016 has been paid to the Stock Exchanges.

The International Security Identification Number (ISIN) allotted to the Company's Share under the Depository System is INE023B01012.

In accordance with Clause 5A of the Listing Agreement, an Unclaimed Suspense Demat Account has been opened with HDFC Bank Limited and all Equity Shares in physical form lying unclaimed pursuant to Public/Rights Issues of the Company as well as by erstwhile Indo Flogates Limited have been dematerialised and credited to said Demat Account. Whenever any request for said unclaimed Shares is received, Equity Shares either in electronic or physical forms is issued to the claimant concerned after debiting said Demat Account.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding Shares in the Suspense Account lying at the beginning of the FY	52	4,488
Number of Shareholders who approached issuer for Transfer of Shares from Suspense Account during the FY	–	–
Number of Shareholders to whom Shares were Transferred from Suspense Account during the FY	–	–
Aggregate number of Shareholders and the outstanding Shares in the Suspense Account lying at the end of the FY	52	4,488

Market Price Data

Months	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2014	83.75	57.00	83.80	57.10
May 2014	129.75	74.35	130.00	72.35
June 2014	165.95	123.25	167.15	123.40
July 2014	182.25	141.30	182.00	138.05
August 2014	209.00	158.00	209.00	156.50
September 2014	218.25	170.00	219.70	167.00
October 2014	206.40	158.00	206.90	156.95
November 2014	203.00	154.10	202.70	152.65
December 2014	166.00	131.55	166.00	131.55
January 2015	155.00	135.00	154.85	132.65
February 2015	147.00	118.90	149.00	118.50
March 2015	136.50	106.00	135.95	107.00

Equity Shares of the Company are regularly traded on the BSE and NSE. However, its Market Price does not substantially fluctuate with increase or decrease in the SENSEX/NIFTY.

Registrar and Share Transfer Agent for Physical and Demat Segments

Maheshwari Datamatics Private Limited
 6, Mangoe Lane (Surendra Mohan Ghosh Sarani)
 2nd Floor, Kolkata 700 001
 Tel : +91 33 22482248, Fax No : +91 33 22484787
 E-mail : mdpldc@yahoo.com

Compliance Officer/Chief Investor Relations Officer

Mr Rajesh Agarwal, Company Secretary
 3, Netaji Subhas Road, Kolkata 700 001
 Tel : +91 33 40106114, Fax : +91 33 22430886
 E-mail : rajesh.agarwal@ifgl.in

All communications on matters relating to Share Transfers, 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 or to the Compliance Officer.

ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)
Share Transfer System

Share Transfers are presently registered within a maximum period of 15 (fifteen) days from the date of receipt provided the documents are complete in all respects. All Share Transfers are approved by the Company Secretary under the authority delegated to him.

Distribution of Equity Shareholding as on 31st March 2015

Category	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Promoter's Holding*				
- Indian Promoters	5	0.03	19,669,248	56.83
- Foreign Promoter	1	0.00	5,006,956	14.47
Financial Institutions/Banks/ Mutual Funds/UTI	20	0.10	536,228	1.55
Foreign Institutional Investors	4	0.02	472,980	1.37
NRIs/Clearing Member	204	1.04	189,598	0.55
Private Body Corporate	310	1.58	2,725,624	7.87
Individuals	19,084	97.23	6,009,838	17.36
Total	19,628	100.00	34,610,472	100.00

*Shares held by the Promoters have not been pledged or otherwise encumbered in any manner.

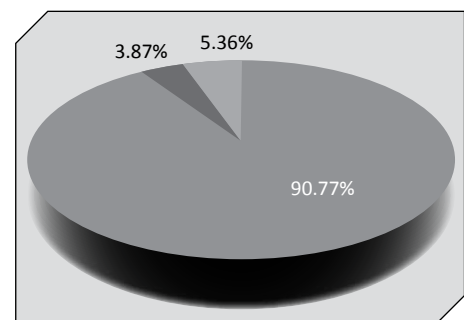
Number of Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 500	18,137	92.40	2,354,204	6.80
501 to 1000	717	3.65	593,922	1.72
1001 to 2000	358	1.82	545,395	1.58
2001 to 3000	127	0.65	331,568	0.96
3001 to 4000	53	0.27	191,492	0.55
4001 to 5000	49	0.25	229,517	0.66
5001 to 10000	101	0.52	763,239	2.20
10001 and above	86	0.44	29,601,135	85.53
Total	19,628	100.00	34,610,472	100.00

Dematerialisation of Shares and Liquidity

The Shareholders may have their holding of Equity Shares of the Company dematerialised either with the NSDL or CDSL if Equity Shares are desired to be held in electronic mode.

Shares held in Physical and Dematerialised Form as on 31st March 2015 :

- Shares held in Dematerialised Form in NSDL : 31,415,261
- Shares held in Dematerialised Form in CDSL : 1,338,886
- Shares held in Physical Form : 1,856,325



ANNEXURE 'A' TO DIRECTORS' REPORT - REPORT ON CORPORATE GOVERNANCE (Contd.)

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on Equity.	Not Applicable
-------------------------------------------------------------------------------------------------------------	----------------

Addresses for correspondence

Registered Office & Works	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031 Dist. Sundergarh, Odisha, Tel : +91 661 2660195, Fax : +91 661 2660173 E-mail : ifgl.works@ifgl.in
Head & Corporate Office	McLeod House, 3, Netaji Subhas Road, Kolkata 700 001. Tel : +91 33 40106100, Fax : +91 33 22430886, +91 33 22480482 E-mail : ifgl.ho@ifgl.in and investorcomplaints@ifgl.in

Corporate Identity Number

The Corporate Identity Number (CIN) of the Company is L27202OR1989PLC002971.

8. Unclaimed Dividend

Pursuant to Sections 205A and 205C of the erstwhile Companies Act, 1956, all unclaimed/unpaid Dividend pertaining to the Company remaining unpaid or unclaimed for a period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Following table gives information relating to outstanding Dividend accounts and dates when due for transfer to IEPF

FY	Date of Declaration of Dividend	Proposed Date for transfer to IEPF*
2007-2008	22.08.2008	21.10.2015
2009-2010	31.07.2010	29.09.2017
2010-2011	26.08.2011	25.10.2018
2011-2012	24.08.2012	23.10.2019
2012-2013	23.08.2013	22.10.2020
2013-2014	22.08.2014	21.10.2021

*Indicative dates. Actual dates may vary.

Persons who have not yet encashed their above outstanding Dividends may immediately send their claims to the Company. For FY 2007-2008, it will not be possible to entertain claims received by the Company on and after Monday, 21st September 2015.

9. Status of Adoption of the Non Mandatory Requirements

Non-Executive Chairman's Office/Separate persons to the post of Chairman and Managing Director :

The Company has Executive Chairman. The Company also has Managing Director.

Audit Qualification

The Company does not have any qualification pertaining to the Financial Statements of the FY under review.

Other Items

Shareholders' rights have been implemented inasmuch as text of Unaudited Financial Results prepared following provisions of Clause 41 of the Listing Agreement is also sent to the Shareholders, whose E-mail addresses are available with the Company. Said text is otherwise published in English and Vernacular Newspapers, filed with BSE and NSE and also hosted on Company's website. Internal Auditor reports to the Company's Chairman and Managing Director and their Quarterly Reports are mandatorily placed before the Audit Committee for discussion.

Necessary steps wherever necessary have been taken by the Company to implement relevant and applicable provisions of the Act and Rules framed thereunder and also revised Clause 49 of the Listing Agreement and this will be a continuing endeavor.

10. Auditors' Certificate on Corporate Governance

As required under Clause 49 of the Listing Agreement, Statutory Auditors Certificate that the Company has complied with the conditions of Corporate Governance is attached.

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31st March 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
 (Management and Administration) Rules, 2014]

I. Registration & Other Details

1.	CIN	L27202OR1989PLC002971
2.	Registration Date	22.11.1989
3.	Name of the Company	IFGL Refractories Limited
4.	Category/Sub Category of the Company	Public Limited Company
5.	Address of the Registered Office & Contact Details	Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Odisha Tel : + 91 661 2660195, Fax : + 91 661 2660173 E-mail : ifgl.works@ifgl.in
6.	Whether Listed Company	Yes on BSE Ltd and National Stock Exchange of India Ltd
7.	Name, Address & Contact Details of the Registrar & Transfer Agent, if any	Maheshwari Datamatics Private Limited 6, Mangoe Lane (Surendra Mohan Ghosh Sarani) 2nd Floor, Kolkata 700 001 Tel : + 91 33 22482248, Fax: +91 33 22484787 E-mail : mdpldc@yahoo.com

II. Principal Business Activities of the Company (All the Business Activities contributing 10% or more of the Total Turnover of the Company)

Sl. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1.	Manufacture and Sale of Refractory Mortars, Refractory Ceramic Products etc	2391	87
2.	Trading	-	11

III. Particulars of Holding, Subsidiary and Associate Companies

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Bajoria Holdings Private Limited, India	U67120WB1983PTC036590	Holding Company	52.93	2(46)
2.	IFGL Exports Limited, India	U51909WB2007PLC118407	Subsidiary Company	51	2(87)
3.	IFGL Worldwide Holdings Limited, Isle of Man	NA	Subsidiary Company	100	2(87)
4.	IFGL Monocon Holdings Limited, UK	NA	Step down Subsidiary	100	2(87)
5.	Monocon International Refractories Limited, UK	NA	Step down Subsidiary	100	2(87)
6.	Monocon Overseas Limited, UK	NA	Step down Subsidiary	100	2(87)

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
7.	Mono Ceramics Inc., USA	NA	Step down Subsidiary	100	2(87)
8.	Monotec Refratarios Ltda, Brazil	NA	Step down Subsidiary	95	2(87)
9.	Tianjin Monocon Refractories Company Limited, PRC	NA	Step down Subsidiary	100	2(87)
10.	Tianjin Monocon Aluminious Refractories Company Limited, PRC	NA	Step down Subsidiary	100	2(87)
11.	Goricon Metallurgical Services Limited, UK	NA	Step down Subsidiary	100	2(87)
12.	IFGL GmbH, Germany	NA	Step down Subsidiary	100	2(87)
13.	Hofmann Ceramic GmbH, Germany	NA	Step down Subsidiary	100	2(87)
14.	Hofmann GmbH & Co. OHG, Germany	NA	Step down Subsidiary	100	2(87)
15.	Hofmann Ceramic CZ s.r.o., Czech Republic	N.A	Step down Subsidiary	98.78	2(87)
16.	Hofmann Ceramic Limited, UK	NA	Step down Subsidiary	100	2(87)
17.	Hofmann Ceramic LLC, USA	NA	Step down Subsidiary	100	2(87)
18.	Hofmann Pyemetric LLC, USA	NA	Step down Subsidiary	51	2(87)
19.	IFGL Inc., USA	NA	Step down Subsidiary	100	2(87)
20.	EI Ceramics LLC, USA	NA	Step down Subsidiary	100	2(87)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity) :**i) Category wise Shareholding**

Category of Shareholders	No. of Shares held at beginning of the Year				No. of Shares held at end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	1,348,275	-	1,348,275	3.90	1,348,275	-	1,348,275	3.90	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	18,320,973	-	18,320,973	52.93	18,320,973	-	18,320,973	52.93	0.00
e) Banks/FI's	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	19,669,248	-	19,669,248	56.83	19,669,248	-	19,669,248	56.83	0.00

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Category of Shareholders	No. of Shares held at beginning of the Year				No. of Shares held at end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Foreign									
a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
b) Other – Individuals	–	–	–	–	–	–	–	–	–
c) Bodies Corporate	5,006,956	–	5,006,956	14.47	5,006,956	–	5,006,956	14.47	0.00
d) Banks/FI's	–	–	–	–	–	–	–	–	–
e) Any other	–	–	–	–	–	–	–	–	–
Sub Total (A)(2)	5,006,956	–	5,006,956	14.47	5,006,956	–	5,006,956	14.47	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	24,676,204	–	24,676,204	71.30	24,676,204	–	24,676,204	71.30	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	–	10,280	10,280	0.03	162,614	10,280	172,894	0.50	0.47
b) Banks/FI's	350,000	2,605	352,605	1.02	360,729	2,605	363,334	1.05	0.03
c) Central Govt	–	–	–	–	–	–	–	–	–
d) State Govt(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIIs	–	1,300	1,300	0.00	471,680	1,300	472,980	1.36	1.36
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (Specify)	–	–	–	–	–	–	–	–	–
Sub Total (B)(1)	350,000	14,185	364,185	1.05	995,023	14,185	1,009,208	2.91	1.86
2. Non Institutions									
a) Bodies Corporate									
i) Indian	2,870,090	297,307	3,167,397	9.15	2,443,317	282,307	2,725,624	7.87	(1.28)
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals									
i) Individual Shareholders holding Nominal Share Capital upto ₹ 1 lac	3,083,752	1,597,141	4,680,893	13.52	2,993,652	1,532,198	4,525,850	13.08	(0.44)
ii) Individual Shareholders holding Nominal Share Capital in excess of ₹ 1 lac	1,526,154	24,000	1,550,154	4.48	1,459,988	24,000	1,483,988	4.29	(0.19)
c) Others (Specify)									
i) Non Resident Indians	119,170	3,635	122,805	0.36	140,178	3,635	143,813	0.42	0.06
ii) Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–
iii) Foreign Nationals	–	–	–	–	–	–	–	–	–
iv) Clearing Members	47,834	–	47,834	0.14	45,785	–	45,785	0.13	(0.01)
v) Trusts	1,000	–	1,000	0.00	–	–	–	–	0.00

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Category of Shareholders	No. of Shares held at beginning of the Year				No. of Shares held at end of the Year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
vi) Foreign Bodies – D R	–	–	–	–	–	–	–	–	–
Sub Total (B)(2)	7,648,000	1,922,083	9,570,083	27.65	7,082,920	1,842,140	8,925,060	25.79	(1.86)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	7,998,000	1,936,268	9,934,268	28.70	8,077,943	1,856,325	9,934,268	28.70	0.00
C. Shares held by Custodian for GDRs & ADRs	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)	32,674,204	1,936,268	34,610,472	100.00	32,754,147	1,856,325	34,610,472	100.00	0.00

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at beginning of the Year			Shareholding at end of the Year			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
	Indian Promoter							
	<i>Individuals/HUF</i>							
1.	Shishir Kumar Bajoria	770,732	2.23	–	770,732	2.23	–	–
2.	Smita Bajoria	44,343	0.13	–	44,343	0.13	–	–
3.	Mihir Bajoria	218,475	0.63	–	218,475	0.63	–	–
4.	S K Bajoria & Others (HUF)	314,725	0.91	–	314,725	0.91	–	–
	(A)	1,348,275	3.90	–	1,348,275	3.90	–	–
	<i>Bodies Corporate</i>							
5.	Bajoria Holdings Private Limited (B)	18,320,973	52.93	–	18,320,973	52.93	–	–
	Foreign Promoter							
	<i>Bodies Corporate</i>							
6.	Krosaki Harima Corporation, Japan (C)	5,006,956	14.47	–	5,006,956	14.47	–	–
	Total (A+B+C)	24,676,204	71.30	–	24,676,204	71.30	–	–

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

Sl. No.		Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
a)	At the beginning of the year	24,676,204	71.30		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			24,676,204	71.30

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)
iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of Top 10 Shareholders	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	Dhanlakshmi Vyapaar Private Limited				
a)	At the beginning of the year	952,142	2.75		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			952,142	2.75
2.	Santosh Tour and Travels Private Limited				
a)	At the beginning of the year	701,618	2.03		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			701,618	2.03
3.	Industrial Promotion and Investment Corporation of Orissa Limited				
a)	At the beginning of the year	350,000	1.01		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			350,000	1.01
4.	JNJ Holdings Private Limited				
a)	At the beginning of the year	257,000	0.74		
b)	Changes during the year				
	11/04/2014 – Sold	(10,088)	(0.03)	246,912	0.71
	18/04/2014 – Sold	(30,335)	(0.09)	216,577	0.63
	02/05/2014 – Sold	(40,032)	(0.12)	176,545	0.51
	09/05/2014 – Sold	(13,903)	(0.04)	162,642	0.47
	16/05/2014 – Sold	(4,000)	(0.01)	158,642	0.46
	23/05/2014 – Sold	(17,500)	(0.05)	141,142	0.41
	30/05/2014 – Sold	(30,000)	(0.09)	111,142	0.32
	06/06/2014 – Sold	(9,500)	(0.03)	101,642	0.29
	13/06/2014 – Sold	(27,000)	(0.08)	74,642	0.22
	20/06/2014 – Sold	(4,500)	(0.01)	70,142	0.20
	30/06/2014 – Sold	(5,800)	(0.02)	64,342	0.19
	04/07/2014 – Sold	(6,900)	(0.02)	57,442	0.17
	11/07/2014 – Sold	(5,511)	(0.02)	51,931	0.15
	18/07/2014 – Sold	(13,267)	(0.04)	38,664	0.11
	14/08/2014 – Sold	(9,500)	(0.03)	29,164	0.08
	22/08/2014 – Sold	(14,300)	(0.04)	14,864	0.04
	29/08/2014 – Sold	(1,000)	(0.00)	13,864	0.04
	19/09/2014 – Sold	(467)	(0.00)	13,397	0.04
	30/09/2014 – Sold	(2,000)	(0.01)	11,397	0.03
	10/10/2014 – Sold	(900)	(0.00)	10,497	0.03

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Sl. No.	For each of Top 10 Shareholders	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	17/10/2014 – Sold	(3,000)	(0.01)	7,497	0.02
	24/10/2014 – Sold	(3,226)	(0.01)	4,271	0.01
	31/10/2014 – Sold	(1,300)	(0.00)	2,971	0.01
	07/11/2014 – Sold	(700)	(0.00)	2,271	0.01
	14/11/2014 – Sold	(2,270)	(0.01)	1	0.00
	06/03/2015 – Purchased	32,918	0.10	32,919	0.10
	13/03/2015 – Purchased	42,235	0.12	75,154	0.22
	20/03/2015 – Purchased	18,369	0.05	93,523	0.27
	27/03/2015 – Purchased	4,799	0.01	98,322	0.28
	31/03/2015 – Purchased	3,678	0.01	102,000	0.29
c)	At the end of the year			102,000	0.29
5.	Star Finvest Private Limited				
a)	At the beginning of the year	195,000	0.56		
b)	Changes during the year				
	04/04/2014 – Purchased	15,000	0.04	210,000	0.61
	11/04/2014 – Purchased	14,820	0.04	224,820	0.65
	18/04/2014 – Sold	(4,830)	(0.01)	219,990	0.64
	02/05/2014 – Sold	(5,000)	(0.01)	214,990	0.62
	09/05/2014 – Sold	(3,490)	(0.01)	211,500	0.61
	16/05/2014 – Sold	(7,511)	(0.02)	203,989	0.59
	23/05/2014 – Sold	(3,989)	(0.01)	200,000	0.58
	06/06/2014 – Sold	(15,000)	(0.04)	185,000	0.53
	13/06/2014 – Sold	(14,750)	(0.04)	170,250	0.49
	20/06/2014 – Purchased	4,284	0.01	174,534	0.50
	30/06/2014 – Sold	(15,534)	(0.04)	159,000	0.46
	18/07/2014 – Purchased	6,050	0.02	165,050	0.48
	25/07/2014 – Purchased	2,950	0.01	168,000	0.49
	01/08/2014 – Sold	(3,000)	(0.01)	165,000	0.48
	08/08/2014 – Purchased	5,000	0.01	170,000	0.49
	22/08/2014 – Purchased	23,000	0.07	193,000	0.56
	29/08/2014 – Purchased	2,000	0.01	195,000	0.56
	05/09/2014 – Purchased	1,000	0.00	196,000	0.57
	12/09/2014 – Purchased	10,463	0.03	206,463	0.60
	19/09/2014 – Sold	(10,463)	(0.03)	196,000	0.57
	30/09/2014 – Sold	(189,000)	(0.55)	7,000	0.02
	10/10/2014 – Purchased	817	0.00	7,817	0.02
	17/10/2014 – Purchased	183	0.00	8,000	0.02

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Sl. No.	For each of Top 10 Shareholders	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	24/10/2014 – Purchased	92	0.00	8,092	0.02
	07/11/2014 – Sold	(8,018)	(0.02)	74	0.00
	14/11/2014 – Purchased	941	0.00	1,015	0.00
	21/11/2014 – Purchased	37,985	0.11	39,000	0.11
	28/11/2014 – Purchased	2,600	0.01	41,600	0.12
	05/12/2014 – Purchased	8,400	0.02	50,000	0.14
	12/12/2014 – Sold	(510)	(0.00)	49,490	0.14
	19/12/2014 – Purchased	1,000	0.00	50,490	0.15
	02/01/2015 – Purchased	3,355	0.01	53,845	0.16
	09/01/2015 – Purchased	3,808	0.01	57,653	0.17
	16/01/2015 – Purchased	1,347	0.00	59,000	0.17
	23/01/2015 – Sold	(5,219)	(0.02)	53,781	0.16
	30/01/2015 – Sold	(81)	(0.00)	53,700	0.16
	06/02/2015 – Purchased	2,300	0.01	56,000	0.16
	20/03/2015 – Purchased	25	0.00	56,025	0.16
	27/03/2015 – Sold	(25)	(0.00)	56,000	0.16
c)	At the end of the year			56,000	0.16
6.	VLS Finance Limited				
a)	At the beginning of the year	202,810	0.59		
b)	Changes during the year				
	02/05/2014 – Purchased	118,017	0.34	320,827	0.93
	09/05/2014 – Purchased	92,737	0.27	413,564	1.19
	23/05/2014 – Purchased	8,596	0.02	422,160	1.22
	30/05/2014 – Purchased	5,493	0.02	427,653	1.24
	06/06/2014 – Purchased	72,347	0.21	500,000	1.44
	12/09/2014 – Sold	(495,750)	(1.43)	4,250	0.01
	24/10/2014 – Purchased	21,096	0.06	25,346	0.07
	31/10/2014 – Purchased	28,123	0.08	53,469	0.15
	07/11/2014 – Sold	(11,969)	(0.03)	41,500	0.12
	14/11/2014 – Sold	(35,500)	(0.10)	6,000	0.02
	28/11/2014 – Purchased	8,402	0.02	14,402	0.04
	05/12/2014 – Purchased	38,300	0.11	52,702	0.15
	30/01/2015 – Purchased	58,301	0.17	111,003	0.32
	06/02/2015 – Purchased	27,586	0.08	138,589	0.40
	13/02/2015 – Purchased	11,411	0.03	150,000	0.43
	06/03/2015 – Sold	(140,000)	(0.40)	10,000	0.03
	31/03/2015 – Purchased	222,000	0.64	232,000	0.67

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Sl. No.	For each of Top 10 Shareholders	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
c)	At the end of the year			232,000	0.67
7.	Nirmal M Bang				
a)	At the beginning of the year	151,658	0.44		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			151,658	0.44
8.	Mohit Ramgopal Agrawal				
a)	At the beginning of the year	87,500	0.25		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			87,500	0.25
9.	Akshay Bajoria				
a)	At the beginning of the year	83,000	0.24		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			83,000	0.24
10.	Surender Kumar Gupta				
a)	At the beginning of the year	80,000	0.23		
b)	Changes during the year				
	30/09/2014 – Purchased	195,000	0.56	275,000	0.79
	21/11/2014 – Sold	(12,345)	(0.04)	262,655	0.76
	27/03/2015 – Purchased	2,345	0.01	265,000	0.77
c)	At the end of the year			265,000	0.77

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each of the Directors and Key Managerial Person	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	S K Bajoria, Chairman				
a)	At the beginning of the year	770,732	2.23		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			770,732	2.23
2.	P Bajoria, Managing Director				
a)	At the beginning of the year	61,000	0.18		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			61,000	0.18

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

Sl. No.	For each of the Directors and Key Managerial Person	Shareholding at beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
3.	D G Rajan, Independent Director				
a)	At the beginning of the year	8,190	0.02		
b)	Changes during the year				
	05/09/2014 – Sold	(7,800)	(0.02)	390	0.00
c)	At the end of the year			390	0.00
4.	Prof A N Sadhu, Independent Director				
a)	At the beginning of the year	850	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			850	0.00
5.	R Agarwal, Company Secretary				
a)	At the beginning of the year	2,319	0.00		
b)	Changes during the year	NO CHANGES DURING THE YEAR			
c)	At the end of the year			2,319	0.00

(₹ in lacs)

V. Indebtedness – Indebtedness of the Company including Interest Outstanding/Accrued but not due for Payment

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	4,839.18	–	–	4,839.18
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	4,839.18	–	–	4,839.18
Change in Indebtedness during the Financial Year				
- Addition	375.41	–	–	375.41
- Reduction	–	–	–	–
Net Change	375.41	–	–	375.41
Indebtedness at the end of the Financial Year				
i) Principal Amount	5,214.59	–	–	5,214.59
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	5,214.59	–	–	5,214.59

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

(₹ in lacs)

VI. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		S K Bajoria, Chairman	P Bajoria, Managing Director	
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961*	99.00	139.93	238.93
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	37.82	27.91	65.73
	c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission@			
	- as % of Profit	44.00	12.00	56.00
	- Others, Specify	-	-	-
5.	Others, please Specify			
	- Contribution to Provident Fund	11.88	13.68	25.56
	- Gratuity	24.85	32.82	57.67
	Total	217.55	226.34	443.89
	Ceiling as per the Act	230.07	230.07	460.14

* Excluding Commission relating to earlier years paid during the year ended on 31.03.2015.

@ Commission for the year ended on 31.03.2015.

B. Remuneration to Other Directors

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		D K Banerji	S Khasnobis	Prof S Munshi	D G Rajan	Prof Bharati Ray	K S B Sanyal	Prof A N Sadhu*	
1.	Independent Directors								
	Fee for attending Board/ Committee Meetings	0.95	0.75	0.60	1.40	0.40	2.20	-	6.30
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	0.95	0.75	0.60	1.40	0.40	2.20	-	6.30
2.	Other Non-Executive Directors								
	Fee for attending Board/ Committee Meetings	0.20	-						0.20
	Commission	-	-						-
	Others, please specify	-	-						-
	Total (2)	0.20	-						0.20
	Total (1+2)	1.15	0.75	0.60	1.40	0.40	2.20	-	6.50
	Total Managerial Remuneration								6.50
	Overall Ceiling as per the Act	Sitting Fee paid is within limit prescribed at Section 197 of the Act							

* Waived his entitlement of Sitting Fees.

ANNEXURE 'B' TO DIRECTORS' REPORT - MGT 9 (Contd.)

(₹ in lacs)

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

Sl. No.	Particulars of Remuneration	Key Managerial Remuneration		Total Amount
		Rajesh Agarwal, Company Secretary	Kanhaiya Poddar, Chief Financial Officer	
1.	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	58.76	27.54	86.30
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	4.82	0.54	5.36
	c) Profits in lieu of Salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission@			
	- as % of Profit	-	-	-
	- Others, Specify	-	-	-
5.	Others, please Specify			
	- Contribution to Provident Fund	1.66	0.17	1.83
	Total	65.24	28.25	93.49

VII. Penalties/Punishment/Compounding of Offences

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding Fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE 'C' TO DIRECTORS' REPORT

Information under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for Financial Year ended on 31st March 2015

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.

The Company is conscious of its responsibilities towards conservation of energy and have been taking steps on an ongoing basis and have been using energy to the extent necessary only. Wastage of energy is strict no-no. Energy efficient systems have been installed to reduce consumption – some of the measures taken are installation of LED lights, CFL lamps, drive control and dampers, voltage stabilizers etc. Use of compressed air has also been optimized. Investments made have generally been regular in nature and have been capitalized to the extent of ₹ 9.08 lacs only during FY 2014-2015. Possibilities of using alternate sources of energy are being explored. One of those being solar energy panel will be implemented in current FY 2015-2016.

Details of total energy consumption and energy consumption per unit of production are given in enclosed **Form A**.

B. Technology Absorption

Efforts made towards technology absorption, benefits derived therefrom, details of imported technologies and expenditure incurred on Research & Development.

The Company has in-house facility for Research and Development (R & D) which continually look into improvement in product quality and performance, development of indigenous source of raw materials including quality upgradation and substitutes, enhancement of production capacity and capability and various other important areas like customers satisfaction, cost competitiveness, cost control etc. These efforts coupled with inputs received from time to time from providers of technologies, bring about requisite desired advantages to keep pace with rapid changes taking in dynamic market in the products segment the Company is operating in. Going forward these efforts will continue unabated.

During last 3 FYs including FY 2014-2015, the Company have not imported any technology.

R & D activities are an integral part of the manufacturing activities carried out by the Company. Expenditure incurred on R & D are not captured separately unless substantial in nature.

C. Foreign Exchange Earnings and Outgo

Total Foreign Exchange used and earned :

(₹ in Millions)

1.	Foreign Exchange Outgo	
	i) CIF Value of Imports of Raw Materials, Stores and Spares, Trading Items and Capital Goods	694.34
	ii) Others	180.16
2.	Foreign Exchange Earnings	
	FOB Value of Exports	1,128.39

ANNEXURE 'C' TO DIRECTORS' REPORT (Contd.)
Form – A
Disclosure of particulars with respect to conservation of energy

	For the year ended 31st March 2015	For the year ended 31st March 2014
A. Power & Fuel Consumption		
1. Electricity		
a) Purchased		
Units (KWH)	4,531,520	4,848,786
Total Amount (₹ in Millions)	27.84	30.02
Rate/Unit (₹)	6.13	6.19
b) Own Generation		
i) Through Diesel Generator		
Units (KWH)	375,545	402,813
Units per Ltr of Diesel Oil	2.93	2.90
Cost/Unit (₹)	20.41	18.84
ii) Through Steam Turbine/Generator		
Units (KWH)	Nil	Nil
Units per Ltr of Fuel Oil/Gas	Nil	Nil
Cost/Unit (₹)	Nil	Nil
2. Coal (Specify quality and where used)		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Average Rate	Nil	Nil
3. LDO		
Quantity (Kilo Ltr)	Nil	Nil
Total Cost (₹ in Millions)	Nil	Nil
Average Rate (₹/Ltr)	Nil	Nil
4. LPG		
Quantity (MT)	1,606.96	1,589.23
Total Cost (₹ in Millions)	101.50	111.32
Average Rate (₹/MT)	63,160.30	70,043.99
5. Others/Internal generation		
Quantity	Nil	Nil
Total Cost	Nil	Nil
Rate/Unit	Nil	Nil
B. Consumption per unit of production		
Products-Refractories		
Electricity (KWH/Pc)	8.76	8.61
LDO (Ltrs/Pc)	Nil	Nil
Coal	Nil	Nil
LPG (Kgs/Pc)	2.88	2.57
HSD (Ltrs/Pc)	0.25	0.25

ANNEXURE 'D' TO DIRECTORS' REPORT

Statement (Form AOC 1) Containing Salient Features of Financial Statements of Subsidiaries As at 31st March 2015

Subsidiary's Name and Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend	% of Shareholding
(₹ in lacs)											
Subsidiary											
IFGL Exports Limited, India (INR)	216.00	1,741.23	5,661.71	3,704.48	-	4,384.86	36.38	-	36.38	-	51
IFGL Worldwide Holdings Limited, Isle of Man (GBP)	5,873.75	4,660.43	5,056.36	-	-	-	200.70	-	200.70	-	100
Step Down Subsidiaries											
El Ceramics LLC, USA (USD)	874.49	1,545.85	5,049.27	2,628.93	-	10,072.99	1,374.28	454.23	920.05	-	100
Goricon Metallurgical Services Limited, UK (GBP)	55.50	469.92	620.25	94.83	-	99.92	(46.30)	1.11	(47.41)	-	100
Hofmann Ceramic CZ s.r.o., Czech Republic (Euro)*	46.31	(499.13)	182.67	635.48	-	678.80	74.63	-	74.63	-	98.78
Hofmann Ceramic GmbH, Germany (Euro)	174.28	1,961.13	2,744.12	709.17	-	7,921.52	409.94	115.64	294.30	-	100
Hofmann Ceramic LLC, USA (GBP)	16.47	162.30	179.64	0.87	-	-	54.84	(0.09)	54.93	-	100
Hofmann Ceramic Limited, UK (GBP)	0.09	0.00	0.09	-	-	-	-	-	-	-	100
Hofmann GmbH & Co. OHG, Germany (Euro)	78.08	910.15	1,751.59	763.36	-	-	64.72	0.25	64.47	-	100
Hofmann Pymetric LLC, USA (GBP)	0.31	6.66	11.32	4.34	-	-	10.82	-	10.82	6.67+	51
IFGL GmbH, Germany (Euro)	4,184.69	(77.48)	22.71	96.47	-	-	(5.36)	3.09	(8.45)	-	100
IFGL Inc., USA (USD)	2,500.00	2,130.24	34.06	2,316.55	-	-	847.86	(34.70)	882.56	-	100
IFGL Monocon Holdings Limited, UK (GBP)	4,625.00	-	-	23.13	-	-	-	-	-	-	100
Mono Ceramics Inc., USA (GBP)	2,410.60	3,059.39	5,080.70	2,107.68	-	6,114.60	161.87	77.76	84.11	-	100
Monocon International Refractories Limited, UK (GBP)	0.09	9,722.11	8,981.53	8,170.95	-	20,162.36	1,627.04	335.54	1,291.50	-	100
Monocon Overseas Limited, UK (GBP)	0.93	7,442.04	4.17	654.29	-	-	(75.97)	-	(75.97)	-	100
Monotec Refratarios Ltda, Brazil (GBP)*	254.35	(254.35)	-	-	-	-	-	-	-	-	95
Tianjin Monocon Aluminous Refractories Company Limited, PRC (GBP)*	480.01	549.09	1,177.40	148.30	-	1,980.36	189.95	47.54	142.41	30.39	100
Tianjin Monocon Refractories Company Limited, PRC (GBP)*	129.50	431.01	1,528.09	967.57	-	5,008.40	258.19	64.96	193.23	179.93	100

Paid to Holding Companies : + Mono Ceramics Inc, USA, @ IFGL Worldwide Holdings Limited, Isle of Man

* 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 ₹ 67.03 equivalent to 1 Euro, ₹ 92.50 equivalent to 1 GBP and ₹ 62.50 equivalent to 1 USD. Profit and Loss figures have however been converted into Indian Rupees by using Average Exchange Rate of ₹ 77.15 equivalent to 1 Euro, ₹ 98.68 equivalent to 1 GBP and ₹ 60.75 equivalent to 1 USD.
- Investments exclude investments made in Subsidiary Companies. 3) The Company neither had nor have Associates/Joint Ventures. 4) Reporting period of Subsidiaries is mentioned at Note 2.2 on Consolidated Statement of Accounts.

Kolkata
16th May 2015

R Agarwal
Company Secretary

K Poddar
Chief Financial Officer

P Bajoria
Managing Director

S K Bajoria
Chairman

ANNEXURE 'E' TO DIRECTORS' REPORT
Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2014-2015

1. A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and composition of CSR Committee.	CSR Policy adopted by your Company is hosted on its website : www.ifglref.com . Your Company pursue permissible CSR activities through Income Tax registered IFGL Refractories Welfare Trust, details whereof are appearing hereinafter. Your Company has in place a CSR Committee of Directors – for details of composition thereof reference is drawn to Para 3B of the Report on Corporate Governance.
2. Average Net Profit of the Company for last three Financial Years	₹ 2,961.18 lacs
3. Prescribed CSR expenditure (two percent of the amount mentioned in item 2 above)	₹ 59.22 lacs
4. Details of CSR spent during the Financial Year :	
Total amount to be spent for the Financial Year	₹ 60.00 lacs
Amount unspent, if any	Not applicable
Manner in which the amount spent during Financial Year	Following CSR Policy adopted by your Board, your Company contributed ₹ 60 lacs during FY 2014-2015 to IFGL Refractories Welfare Trust, which is registered with Income Tax Authorities and have recognition under Section 80G of the Income Tax Act, 1961. Said Trust inter alia provide relief to the poor and needy people more particularly inhabiting in and around Company's manufacturing facilities near Rourkela in Odisha - India. Said Trust have several on going programmes relating to education, health, sanitation and environment. Going forward, said Trust will step up said programmes suitably.
5. Responsibility Statement of CSR Committee	Implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

 Kolkata
 16th May 2015

S K Bajoria
 (DIN : 00084004)
 Chairman

K S B Sanyal
 (DIN : 00009497)
 Chairman, CSR Committee

ANNEXURE 'F' TO DIRECTORS' REPORT

FORM NO. MR 3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March 2015

[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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFGL REFRACTORIES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in accordance with the Guidance Note issued by The Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980) 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 the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, 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 2015 generally complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IFGL REFRACTORIES LIMITED for the financial year ended on 31st March 2015 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, Overseas Direct Investment and External Commercial Borrowings to the extent applicable to the Company - The Company had no FDI/ODI/ECB transactions during the year.
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :
 - 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, 1992.

ANNEXURE 'F' TO DIRECTORS' REPORT (Contd.)

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- 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 authorised Category I Registrar and Share Transfer Agent as required under Law.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We have also examined compliance with the applicable clauses of the following :

- i. Secretarial Standards issued by The Institute of Company Secretaries of India: not yet applicable.
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above subject to the following observations :

- 1. A Director Mr S Tateishi has not attended any meeting of the Board during the year.
- 2. The Company has contributed a sum of ₹ 60 lacs to IFGL Refractories Welfare Trust for CSR activities which is registered u/s 12A of the Income Tax Act, 1961 and has been granted exemption u/s 80G of the said Act.

We further report that as far as we have been able to ascertain –

- 1. 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.
- 2. Adequate notice is given to all Directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- 3. Majority decision is carried through while the dissenting members views are captured and recorded as part of the minutes.
- 4. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that as informed to us, during the audit period the Company has had the following specific events :

- 1. Redemption of 1,450,000 – 5% Non Cumulative Preference Shares of ₹ 100/- each of the Company.

It is stated that the compliance of all the 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

ANNEXURE 'F' TO DIRECTORS' REPORT (Contd.)

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.

Kolkata
16th May 2015

(S. M. Gupta)
S. M. GUPTA & CO.
FCS No : 896
C P No : 2053

Encl : Annexure 'A' forming an integral part of this Report.

ANNEXURE A**TO THE MEMBERS
IFGL REFRACTORIES LIMITED**

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the 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.

Kolkata
16th May 2015

(S. M. Gupta)
S. M. GUPTA & CO.
FCS No : 896
C P No : 2053