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ANNUAL REPORT 2001-2002



DEDICATED TO SERVE THE STEEL INDUSTRY

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**BOARD OF DIRECTORS**

B P BAJORIA, *Chairman*
 T OHASHI
 Y KOIKE (*Alternate to T Ohashi*)
 D G RAJAN
 A N SADHU
 K S B SANYAL
 K TSUYUGUCHI
 T SUNAHARA (*Alternate to K Tsuyuguchi*)
 S K BAJORIA, *Managing Director*
 P BAJORIA, *Director & Chief Executive*

BOARD COMMITTEES**AUDIT COMMITTEE**

K S B SANYAL, *Chairman*
 D G RAJAN
 A N SADHU

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

K S B SANYAL, *Chairman*
 S K BAJORIA
 P BAJORIA

REMUNERATION COMMITTEE

A N SADHU, *Chairman*
 D G RAJAN
 K S B SANYAL

COMPANY SECRETARY

R AGARWAL

BANKER

STATE BANK OF INDIA

AUDITORS

PRICE WATERHOUSE
Chartered Accountants

SOLICITOR & LEGAL ADVISOR

A P AGARWALLA, *Advocate*
 TEMPLE CHAMBERS
 6, OLD POST OFFICE STREET
 GROUND FLOOR, ROOM NO 55
 KOLKATA 700 001

HEAD & CORPORATE OFFICE

McLEOD HOUSE
 3, NETAJI SUBHAS ROAD
 KOLKATA 700 001
 EMAIL : ifgl@bajoria.com
 WEBSITE : www.bajoria.com

REGISTERED OFFICE & WORKS

SECTOR 'B',
 KALUNGA INDUSTRIAL ESTATE
 PO : KALUNGA 770 031 (NEAR ROURKELA)
 DIST : SUNDERGARH (ORISSA)
 EMAIL : ifglworks@bajoria.com

REGISTRARS & SHARE TRANSFER AGENTS**PHYSICAL SEGMENT**

AXC COMPUTERS PVT LTD
 NATIONAL COUNCIL OF EDUCATION BUILDING
 JADAVPUR UNIVERSITY CAMPUS
 KOLKATA 700 032

DEMAT SEGMENT

MAHESHWARI DATAMATICS PVT LTD
 6, MANGO LANE, 2ND FLOOR
 KOLKATA 700 001



Notice of Annual General Meeting

Notice is hereby given that Thirteenth Annual General Meeting of IFGL Refractories Limited will be held on Monday, 15th July, 2002 at 10 AM at the Registered Office situated at Sector 'B', Kalunga Industrial Estate, P.O. Kalunga 770 031, Dist. Sundergarh, Orissa to transact the following business.

Ordinary Business

1. To receive, consider and adopt Profit and Loss Account for the year ended 31st March, 2002 and Balance Sheet as on that date and Schedules and Notes forming part thereof and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr B P Bajoria, who retires by rotation and being eligible, offer himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration including terms of payment. The retiring Auditors, Messrs Price Waterhouse, Chartered Accountants, being eligible offer themselves for re-appointment.

Special Business

4. To consider and if thought fit, with or without modification(s) to pass the following resolution as an Ordinary Resolution.
 "Resolved that Mr Koji Tsuyuguchi, who was appointed as an Additional Director in the meeting of Board of Directors of the Company held on 27th July, 2001 and whose term expires at the ensuing Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement by rotation."
5. To consider and if thought fit, with or without modification(s) to pass the following resolution as an Ordinary Resolution.
 "Resolved that Mr T Ohashi, who was appointed as an Additional Director in the meeting of Board of Directors of the Company held on 27th July, 2001 and whose term expires at the ensuing Annual General Meeting and in respect of whom the Company has received a Notice under Section 257 of the Companies Act, 1956 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office will be liable to determination by retirement by rotation."
6. To consider and if thought fit, with or without modification(s) to pass the following resolution as a Special Resolution.
 "Resolved that pursuant to provisions of Sections 198, 269, 309 and other applicable provisions of the Companies Act, 1956 including the Schedule XIII thereof, as amended to date and other necessary approvals, Mr Shishir Kumar Bajoria be and is hereby re-appointed as the Managing Director of the Company for a period of 3 (three) years with effect from Monday, 1st April, 2002 on terms and conditions as set out in detail in the Agreement executed between the Company and Mr Bajoria, a copy whereof is placed before the meeting and for the purpose of identification is initialled by the Chairman of the Remuneration Committee constituted by the Board of Directors, which Agreement also authorises the Board of Directors to increase, reduce, alter or vary the remuneration and perquisites, including the monetary value thereof specified in the Agreement at any time(s) and from time to time in such manner as the Board of Directors on recommendations of the Remuneration Committee, may in its absolute discretion deem fit within the maximum amount payable to Mr Bajoria, which shall not exceed the ceiling of Rs. 36 lacs per annum or Rs. 3 lacs per month as provided in Section II(1)(B) of Part II of Schedule XIII of the Companies Act, 1956 or such other amount and perquisites as may be provided in said Section of Schedule XIII, as may be amended from time to time or any equivalent statutory re-enactment thereof.
 Resolved further that in the event of loss or inadequate profits in any financial year during the term of Mr Bajoria's office as the Managing Director, the remuneration and perquisites per month as set out in the aforesaid Agreement be paid or granted to Mr Bajoria as 'minimum remuneration'.
 Resolved further that for the purpose of giving effect to above resolutions, the Board of Directors in consultation with and or on recommendation of the Remuneration Committee be and is hereby authorised to do all such acts, deeds, matters and things as may be, in their absolute discretion, deemed necessary, expedient, usual or proper in the best interest of the Company".
7. To consider and if thought fit, with or without modification(s) to pass the following resolution as an Ordinary Resolution.
 "Resolved that in accordance with provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, changes and or alterations recommended by the Remuneration Committee constituted by the Board of Directors in the remuneration of Mr Pradeep Bajoria, Director & Chief Executive of the Company with effect from Monday, 1st April, 2002 for the remainder of the tenure of his appointment i.e. upto 13th August, 2005 as set out in the Supplemental Agreement entered into between the Company and Mr Bajoria, a copy whereof is placed before the meeting and for the purpose of identification is initialled by the Chairman of the Remuneration Committee, be and are hereby approved with specific authority to the Board of Directors of the Company to alter and or vary the remuneration and perquisites, including the monetary value thereof specified in the Supplemental Agreement at any time(s) and from time to time in such manner as the Board of Directors on recommendations of the Remuneration Committee, may in its absolute discretion deem fit within the maximum amount payable to Mr Bajoria, which shall not exceed the ceiling of Rs. 18 lacs per annum or Rs. 1.50 lacs per month as provided in Section II(1)(A) of Part II of Schedule XIII of the Companies Act, 1956 or such other amount and perquisites as may be provided in said Section of Schedule XIII, as may be amended from time to time or any equivalent statutory re-enactment thereof.



Notice of Annual General Meeting (Contd.)

Resolved further that in the event of loss or inadequate profits in any financial year during the remainder of the term of Mr Bajoria's office as the Director & Chief Executive, the remuneration and perquisites per month as set out in the aforesaid Supplemental Agreement be paid or granted to Mr Bajoria as 'minimum remuneration'.

Resolved further that for the purpose of giving effect to above resolutions, the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be, in their absolute discretion, deemed necessary, expedient, usual or proper in the best interest of the Company".

By Order of the Board
For IFGL Refractories Limited

R Agarwal
Company Secretary

Kolkata, 20th April, 2002

NOTES:

1. **A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Proxies in order to be effective, must be lodged with the Company not less than 48 (forty eight) hours before the commencement of the meeting.**
2. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Items 4 to 7 above is annexed hereto.
3. The Register of Members and Share Transfer Register in respect of Equity Shares of the Company will remain closed from 1st July, 2002 to 15th July, 2002, both days inclusive, in connection with the Annual General Meeting.
4. Listing Fees for the financial year 2002-2003, wherever request therefor was received, have been paid to Stock Exchanges.
5. Equity Shares of the Company are available for dematerialisation both with the National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL).

Members holding shares in physical form are requested to notify/send the following to Physical Registrars and Share Transfer Agents of the Company to facilitate better service :

- i) Any change in their address/mandate/bank details.
- ii) 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.

6. Pursuant to provisions of Section 205A, in force till 30th October, 1998, of the Companies Act, 1956, all unclaimed/unpaid dividends for the financial year ended 31st March, 1995 of erstwhile Indo Flogates Ltd have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said year are requested to forward their claims in prescribed Form No II of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 to the Registrar of Companies, Orissa, Chalachitra Bhawan, 2nd Floor, Buxi Bazar, Cuttack 753 001.

Consequent upon the introduction of Section 205C by the Companies (Amendment) Act, 1999, which came into effect from 31st October, 1998 and Notification dated 1st October, 2001 issued in respect of Investor Education and Protection Fund (awareness and protection of investors) Rules, 2001, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the said Company is required to be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.

Shareholders who have not yet encashed their dividend warrant(s) for the financial year ended 31st March, 1996 and 31st March, 1997 issued by said Company, are requested to make their claims to the Company accordingly, without any delay.

In terms of aforesaid Section 205C and the Investor Education and Protection Fund Rules, all application moneys received by the Company and also erstwhile Indo Flogates Ltd for allotment of Equity Shares and due for refund and remaining unclaimed and/or unpaid for a period of seven years from the date they became due for payment, have been transferred to said Investor Education and Protection Fund.

7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days except Sunday and Public holiday, between 10 AM to 12 Noon upto the date of meeting.
8. **Reduction and consolidation of Equity Share Capital of the Company was carried out in the year 1995. Members still holding old Share Certificates are requested to surrender the same and obtain fresh Certificates in lieu thereof.**
9. **Persons who have become members of the Company consequent to amalgamation of Indo Flogates Ltd, are requested to surrender Certificates relating to their holding in said Company, to the Company's Physical Registrars and Share Transfer Agents for despatch of new Certificates relating to their shareholding in the Company.**

Notice of Annual General Meeting (Contd.)
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 (THE ACT) IN RESPECT OF ITEMS 4 TO 7
Items 4 and 5

Mr Koji Tsuyuguchi and Mr T Ohashi were appointed as Additional Directors of the Company pursuant to provisions of Section 260 of the Act. They hold their office upto the ensuing Annual General Meeting only. Your Company, however, has received a Notice each under provisions of Section 257 of the Act proposing the candidatures of Mr Tsuyuguchi and Mr Ohashi for the office of Director liable to retire by rotation.

Mr Tsuyuguchi and Mr Ohashi are Senior Executives of Krosaki Harima Corporation and Nissho Iwai Corporation both of Japan respectively and accordingly, have extensive experience of dealing in Refractories used in the Steel Industry. Your Directors, therefore, recommend their appointment as Directors of the Company liable to retire by rotation. Resolutions proposed at Items 4 and 5 are meant for aforesaid purpose.

None of the Directors, other than Mr Tsuyuguchi and Mr Ohashi themselves, is interested or concerned in passing of said resolutions.

Item 6

Mr Shishir Kumar Bajoria was re-appointed as Managing Director of the Company for a period of 5 (five) years with effect from 1st April, 1997 by the members by passing an Ordinary Resolution in their meeting held on 24th June, 1997 and accordingly, tenure of Mr Bajoria as the Managing Director of the Company expired on 31st March, 2002.

Your Directors at their meeting held on 20th April, 2002 have re-appointed Mr Bajoria as the Managing Director of the Company effective 1st April, 2002 for a period of 3 (three) years on the remuneration i.e. salary and perquisites and terms and conditions approved by the Remuneration Committee constituted by your Directors and as set out in the Agreement executed on that date itself between Mr Bajoria and the Company, subject to approval of the members by passing a Special Resolution in their General Meeting.

Mr Bajoria has been Managing Director of the Company right from its inception in the year 1989. He is a Commerce Graduate and has vast experience of the Refractory Industry. Under his leadership the Company has continued to be one of the prominent players in the Indian Refractory Industry. Financial performance of the Company for the financial year ended on 31st March, 2002 has substantially improved in as much as for the said year the Company's total income and profit before tax was Rs. 4594.42 lacs and Rs. 86.41 lacs respectively. During said financial year export of the Company's products increased to Rs. 759.55 lacs.

The remuneration and terms and conditions of re-appointment of Mr Bajoria as Managing Director of the Company are, inter alia, as under :

- a) Salary at the rate of Rs. 2.50 lacs per month with liberty to the Board of Directors to review the same from time to time.
- b) Perquisites stated below subject to the condition that the monetary value of those shall be restricted to an amount not exceeding Rs. 6 lacs per annum.

Part A

- i) Reimbursement of medical expenses, including premium of Health Insurance Policy, for self and family.
- ii) Leave Travel Concession for self and family once in a year for any destination in India by Air.
- iii) Fees of Clubs (excluding Admission and Life Membership) subject to a maximum of four Clubs.
- iv) Personal Accident Insurance Premium not exceeding Rs. 5000/- per annum.

Part B

- i) Provident Fund and Superannuation benefits as per Schemes of the Company. However, to the extent these were either singly or put together taxable under the Income Tax Act, 1961 would form part of salary at Clause (a) and (b) above.
- ii) Gratuity benefit and encashment of leave at the end of tenure, as per Schemes of the Company.

Part C

- i) A motor car for the Company's business and telephone at the residence. Cost of personal long distance calls and use of motor car for private purposes shall be billed at actuals by the Company to Mr Bajoria.
- ii) Reimbursement of expenses actually and properly incurred on entertainment in the course of business of the Company.

In case the Company has no profits or the profits are inadequate in any financial year, Mr Bajoria will be entitled to receive above remuneration and perquisites as 'Minimum Remuneration' provided that total remuneration payable to him shall not exceed the ceiling of Rs. 36 lacs per annum or Rs. 3 lacs per month as provided in Section 11(1)(B) of Part II of Schedule XIII of the Act, as may be amended from time to time or any equivalent statutory re-enactment thereof.

Aforesaid remuneration and terms and conditions applicable to Mr Bajoria are commensurate to his qualification, experience, status, positions held in the Industrial arena and remuneration drawn by persons holding similar position in other comparable Companies of the Refractory Industry.



Notice of Annual General Meeting (Contd.)

Resolution proposed to be passed is meant for above purpose and your Directors recommend passing of the same.

None of the Directors, other than Mr Bajoria himself and Mr B P Bajoria, is concerned or interested in passing of proposed resolution.

Explanatory Statement and the Notice may kindly be treated as an abstract of the Agreement referred herein above and Memorandum of Concern or Interest and Statement under and/or referred to in Section 302 and Section II(1)(B) of Part II of Schedule XIII of the Act respectively.

Item 7

Mr Pradeep Bajoria was appointed as Director & Chief Executive of the Company for a period of 5 (five) years with effect from 14th August, 2000 by the members by passing an Ordinary Resolution in their Annual General Meeting held on 28th October, 2000. Accordingly, tenure of Mr Bajoria's appointment as Director & Chief Executive is effective upto 13th August, 2005. Mr Bajoria has been Director & Chief Executive of erstwhile Indo Flogates Limited. He is associated with the Refractory Industry for more than 20 (twenty) years and has vast experience of the said Industry. Financial performance of the Company for the financial year ended on 31st March, 2002 has significantly improved and the same could not have been possible without his unstinted contributions.

Your Directors therefore at their meeting held on 20th April, 2002, have revised and or increased salary and perquisites payable to Mr Bajoria with effect from 1st April, 2002 for the remainder of his tenure as Director & Chief Executive of the Company, as approved by the Remuneration Committee constituted by your Directors and as set out in the Supplemental Agreement executed on that date itself between Mr Bajoria and the Company, subject to approval of the members by passing an Ordinary Resolution in the general meeting.

The revised remuneration i.e. salary and perquisites of Mr Bajoria as Director & Chief Executive of the Company are, inter alia, as under :

- a) Salary at the rate of Rs. 1 lac per month with liberty to the Board of Directors to review the same from time to time.
- b) Perquisites stated below subject to the condition that the monetary value of those shall be restricted to an amount not exceeding Rs. 6 lacs per annum.

Part A

- i) Reimbursement of House Rent and other charges in respect of house taken by Mr Bajoria on lease from Mrs Krishna Gayen (Lessor) to which agreement the Company has signed as Guarantor for payment of rent and taxes.
- ii) Reimbursement of Electricity, Gas and Water charges, at actuals in respect of aforesaid premises.
- iii) Reimbursement of medical expenses, including premium of Health Insurance Policy, for self and family.
- iv) Leave Travel Concession for self and family once in a year for any destination in India by Air.
- v) Fees of Clubs (excluding Admission and Life Membership) subject to a maximum of two Clubs.
- vi) Personal Accident Insurance Premium not exceeding Rs. 5000/- per annum.

Part B

- i) Provident Fund and Superannuation benefits as per Schemes of the Company. However, to the extent these were either singly or put together taxable under the Income Tax Act, 1961 would form part of salary at Clause (a) and (b) above.
- ii) Gratuity benefit and encashment of leave at the end of tenure, as per Schemes of the Company.

Part C

- i) A motor car for the Company's business and telephone at the residence. Cost of personal long distance calls and use of motor car for private purposes shall be billed at actuals by the Company to Mr Bajoria.
- ii) Reimbursement of expenses actually and properly incurred on entertainment in the course of business of the Company.

In case the Company has no profits or the profits are inadequate in any financial year, Mr Bajoria will be entitled to receive above remuneration and perquisites as 'Minimum Remuneration' provided that total remuneration payable to him shall not exceed the ceiling of Rs. 18 lacs per annum or Rs. 1.50 lac per month as provided in Section II(1)(A) of Part II of Schedule XIII of the Act, as may be amended from time to time or any equivalent statutory re-enactment thereof.

Resolution proposed to be passed is meant for above purpose and your Directors recommend passing of the same.

None of the Directors, other than Mr Bajoria himself, is concerned or interested in passing of proposed resolution.

Explanatory Statement and the Notice may kindly be treated as an abstract of the Supplemental Agreement referred herein above and Memorandum of Concern or Interest under Section 302 of the Act.



Report of the Directors' to the Shareholders

Your Directors present the Thirteenth Annual Report together with the Profit and Loss Account for the year ended 31st March, 2002 and Balance Sheet as on that date and Schedules and Notes forming part thereof.

Financial Performance

Financial Performance of your Company for the financial year 2001-2002 has been as follows :

	(Rs. in lacs)
Net Sales	4538.34
Other Income	56.08
	<u>4594.42</u>
Less : Total Expenses	4197.60
Interest	<u>61.19</u>
	<u>4258.79</u>
Gross Profit after Interest but before Depreciation, Misc. Expenses written off and Taxation	335.63
Less : Depreciation and Misc. Expenses written off	<u>249.22</u>
Profit before tax	86.41
Less : Provision for tax	<u>4.19</u>
Net Profit	<u>82.22</u>

Above financial performance was achieved by your Company despite global economy continuing to go through the phase of slowdown. Steel Industry was severely affected thereby and effects thereof were felt by the Refractory Industry in as much as margins further slumped, competition amongst the Refractory Manufacturers intensified and capacities were curtailed. Emphasis was on survival rather than on profit making, expansion and modernisation.

Future Outlook

Refractory Industry, being ancillary to core Steel Industry, is bound to perform in the time to come. With signs of revival in the global economy and increased thrust being placed in India on infrastructure development and housing, consumption of Steel will increase manifold, thereby also turning around fortunes of the Steel Industry. Your Company is fully geared to take full advantage of benefits arising out of the above.

Corporate Governance

Your Company's philosophy is to enhance customers' satisfaction and shareholders value by adopting and implementing best of the Corporate Governance practices. A detailed Report on Corporate Governance compliance duly certified by the Company's Statutory Auditors form part of this Report as *Annexure 'A'*.

A Management Discussion and Analysis Report also form part of this Report of your Directors as *Annexure 'B'*.

Directors' Responsibility Statement

Your Directors, in terms of Section 217(2AA) of the Companies Act, 1956 (the Act), state that :

- a) in preparation of statement of accounts for the year under review, the applicable Accounting Standards have been followed and in case of departures therefrom, proper explanations relating thereto have been given in the Notes forming part thereof.
- b) Accounting Policies selected have been applied consistently and judgements and estimates made are reasonable and prudent as they give true and fair state of affairs of the Company at the end of the year under review 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) Annual Accounts have been prepared on a going concern basis.

Your Company's Statutory Auditors, Messrs Price Waterhouse., Chartered Accountants have audited the statement of accounts in accordance with generally accepted Accounting Standards and practices as indicated in their Report.



Directors' Report (Contd.)

Directors

Director due to retire by rotation is Mr B P Bajoria who, being eligible, offer himself for re-election.

Mr Koji Tsuyuguchi and Mr T Ohashi were appointed as Additional Directors of your Company on 27th July, 2001. They cease to hold their office at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as Directors, liable to retire by rotation.

Appointment of Mr S K Bajoria as Managing Director of your Company has expired on 31st March, 2002. Your Directors have approved re-appointment of Mr Bajoria as Managing Director of your Company for further period of 3 (three) years with effect from 1st April, 2002. Your Directors have also approved enhancement in remuneration payable to Mr Pradeep Bajoria, Director & Chief Executive of your Company with effect from 1st April, 2002 for remainder of his tenure. Suitable resolutions required to be passed in this regard have been included in the Notice relating to forthcoming Annual General Meeting and your Directors recommend passing of said resolutions.

Mr B K Das, Mr Akira Inagaki and Mr I Shimizu ceased to be Directors of your Company during the financial year ended 31st March, 2002. Your Directors place on record appreciation for the advice, guidance and support received from them.

Particulars of Employees

Particulars of remuneration paid in excess of limit specified for the purpose of Section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules, 1975, as amended to date is given in *Annexure 'C'*.

Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

Information in accordance with provision of Section 217(1)(e) of the Act read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in *Annexure 'D'*.

Auditors' Report

The Auditors in their Report have referred to the Notes forming part of accounts, which are self explanatory.

Auditors

Messrs Price Waterhouse, Auditors will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

Acknowledgement

During the year under review, Industrial Relations continued to remain cordial. Your Directors place on record their appreciation for continued support received from the shareholders, financial institutions, banks and all others concerned.



On behalf of the Board of Directors

Kolkata, 20th April, 2002

P Bajoria
Director & Chief Executive

S K Bajoria
Managing Director

Annexure 'A' to Directors' Report

Report on Corporate Governance

Your Company's philosophy is to enhance customers' satisfaction and shareholder value by practising the principles of good Corporate Governance.

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

1. Board of Directors

The Board of Directors consists of the Non-executive Chairman, 2 (two) Executive Directors, 2 (two) Non-executive Directors and 3 (three) Independent Directors.

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

The Board of your Company is comprised of the following Directors.

Name of Directors	Category of Directors	Members of Boards of other Public Companies (excluding directorship in Private Companies)	Total No of Committee (d) Membership held in other Public Limited Companies (excluding Private Limited Companies, Foreign Companies and Companies of Section 25 of the Companies Act, 1956)	
			As Chairman	As Member
Mr B P Bajoria	Chairman – Non-executive	5	2	3
Mr S K Bajoria	Executive	2	None	None
Mr P Bajoria	Executive	1	None	None
Mr T Ohashi (b)	Non-executive	None	None	None
Mr D G Rajan	Non-executive (a)	2	1	2
Prof A N Sadhu	Non-executive (a)	2	None	None
Mr K S B Sanyal	Non-executive (a)	5	3	5
Mr Koji Tsuyuguchi (c)	Non-executive	None	None	None

(a) Also Independent.

(b) A senior executive of Nissho Iwai Corporation, Japan, one of the promoters of IFGL Refractories Ltd.

(c) A senior executive of Krosaki Harima Corporation, Japan, the technical collaborator and one of the promoters of the Company.

(d) Only the 3 (three) Committees viz. the Audit Committee, the Shareholders Grievance Committee and the Remuneration Committee are considered.

Name of Alternate Directors

Mr Y Koike (Alternate to Mr T Ohashi)		1	None	None
Mr T Sunahara (Alternate to Mr K Tsuyuguchi)		None	None	None

During the financial year ended on 31st March, 2002 meetings of the Board of Directors were held 5 (five) times i.e. on 11th May, 2001, 27th July, 2001, 30th October, 2001, 29th January, 2002 and 25th February, 2002. The time gap between two meetings never exceeded 4 months.