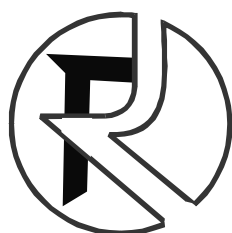


3rd
Annual Report
2012-13



ORIENT REFRACTORIES LIMITED



BOARD OF DIRECTORS

(As on July 24,2013)

Mr K K Thirani, Chairman

Mr A K Jain

Mr R S Bajoria

Ms Barbara Potisk Eibensteiner

Mr Michael John Williams

Mr Reinhold Steiner

Mr S G Rajgarhia, Vice Chairman

Mr S C Sarin

Mr Parmod Sagar

CHIEF FINANCIAL OFFICER

Mr Sanjeev Bharadwaj

COMPANY SECRETARY

Mr Sanjay Kumar

AUDITORS

STATUTORY AUDITORS

M/s. S.R. Batliboi & Co. LLP

COST AUDITORS

M/s. K. G. Goyal & Associates

INTERNAL AUDITORS

M/s. Chaturvedi & Partners

BANKERS

HDFC Bank Ltd.

State Bank of India

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Private Limited,

D-153 A, 1st Floor,

Okhla Industrial Area,Phase - I,

New Delhi - 110 020

WORKS

SP – 148, RIICO Industrial Area

Bhiwadi, Dist.-Alwar

Rajasthan

e-mail:bhiwadi@orlindia.com

REGISTERED OFFICE

1307, Chiranjiv Tower

43, Nehru Place

New Delhi-110 019

email:info@orlindia.com

web site:www.orientrefractories.com

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NOTICE

Notice is hereby given that the Third Annual General Meeting of the members of Orient Refractories Limited will be held at Hindi Bhawan, 11, Vishnu Digambar Marg (Near Bal Bhawan), New Delhi – 110 002 on Thursday, September 26, 2013 at 11.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited annual accounts of the Company for the year ended March 31, 2013 and the report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr S G Rajgarhia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr K K Thirani who retires by rotation and being eligible offers himself for re-appointment.
4. To declare final dividend on equity shares.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration. (The retiring Statutory Auditors - M/s. S R Batliboi & Co. LLP are not offering themselves for re-appointment. It is proposed to appoint M/s. Deloitte Haskins & Sells, Chartered Accountants as Statutory Auditors in place thereof.)

SPECIAL BUSINESS

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS ORDINARY RESOLUTION:

6. TO APPOINT MS BARBARA POTISK EIBENSTEINER AS DIRECTOR OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956 and other applicable provisions, if any, Ms Barbara Potisk Eibensteiner, who was appointed as an Additional Director by the Board of Directors w.e.f. March 04, 2013, to hold the office till the date of this Annual General Meeting and for whose appointment as a Director, a notice alongwith requisite deposit has been received by the Company, be and is hereby appointed as a Director liable to retire by rotation."

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS ORDINARY RESOLUTION:

7. TO APPOINT MR MICHAEL JOHN WILLIAMS AS DIRECTOR OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956 and other applicable provisions, if any, Mr Michael John Williams, who was appointed as an Additional Director by the Board of Directors w.e.f. March 04, 2013, to hold the office till the date of this Annual General Meeting and for whose appointment as a Director, a notice alongwith requisite deposit has been received by the Company, be and is hereby appointed as a Director liable to retire by rotation."

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS ORDINARY RESOLUTION:

8. TO APPOINT MR PARMOD SAGAR AS DIRECTOR OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956 and other applicable provisions, if any, Mr Parmod Sagar, who was appointed as an Additional Director by the Board of Directors w.e.f. March 04, 2013, to hold the office till the date of this Annual General Meeting and for whose appointment as a Director, a notice alongwith requisite deposit has been received by the Company, be and is hereby appointed as a Director liable to retire by rotation."

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS ORDINARY RESOLUTION:

9. TO APPOINT MR REINHOLD STEINER DIRECTOR OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Section 257 of the Companies Act, 1956 and other applicable provisions, if any, Mr Reinhold Steiner, who was appointed as an Additional Director by the Board of Directors w.e.f. July 24, 2013, to hold the office till the date of this Annual General Meeting and for whose appointment as a Director, a notice alongwith requisite deposit has been received by the Company, be and is hereby appointed as a Director liable to retire by rotation."



TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS SPECIAL RESOLUTION:

10. TO APPOINT MR PARMOD SAGAR AS MANAGING DIRECTOR OF THE COMPANY

“RESOLVED THAT subject to the provisions of Sections 198, 269, 309 and Schedule XIII and other applicable provisions of the Companies Act, 1956 consent of members of the Company be and is hereby given for the appointment of Mr Parmod Sagar as Managing Director of the Company for a term of 5 years w.e.f. March 04, 2013 upon the terms and conditions as stated below:

- 1. Basic Salary:** In the limits of ₹ 550,000/- to ₹ 1,000,000/- per month. In the first year it shall be ₹ 550,000 per month. Thereafter the Board shall fix annual increments every year within the above ceiling. First increment shall be due from April 1, 2014. Other allowances, bonus and perquisites linked with basic salary shall also proportionately increase.
- 2. Bonus:** 20% of basic salary
- 3. Perquisites:**
 - (a) Housing:** Rent free furnished accommodation or house rent allowance in lieu thereof, either of which shall be subject to a maximum value of 50% of the basic salary.
 - (b) Medical Reimbursement:** Reimbursement of medical expenses incurred by self and dependent family members subject to a ceiling of ₹ 100,000/- per annum. He is also entitled to a medical insurance cover for ₹ 2.00 Lacs at present which may be increased in due course, under a group mediclaim policy taken by the Company and the proportionate premium on the same may also be taken as perquisite.
 - (c) Leave Travel Allowance:** Reimbursement of travelling expenses incurred by self and dependent family members once a year subject to a ceiling of ₹ 100,000/-.
 - (d) Encashment of Earned Leave** as applicable to other employees of the Company and any other perquisites as payable to other employees of the Company.
 - (e) Reimbursement of Mobile Expenses:** to the extent used for official purposes, as far as can be ascertained, shall not be considered in the computation of limits of remuneration being approved herein.
- 4. Company's contribution to Provident Fund, Super-Annuation Fund, Annuity Fund** to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half month salary for each completed year of service and encashment of leave at end of the tenure shall not be included in the above limits of remuneration provided it is within the limits of Part II of Schedule XIII and also shall not be included in the limits of minimum remuneration, if any, becoming payable in the event of loss or inadequacy of profits.
- 5. Potential Bonus:** over and above the remuneration mentioned aforesaid up to a maximum of 30% of the gross annual salary as the Board of Directors may fix every year, provided that the total remuneration including basic salary, bonus, perquisites and potential bonus shall be within the overall limits laid down in Section 198 and 309 of the Companies Act, 1956.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year during the tenure of Mr Parmod Sagar as Managing Director, the remuneration and perquisites as given above or such remuneration as would be permissible under paragraph 1 (B) of Part II in Section II of Schedule XIII, having regard to the effective paid up capital of the Company, shall be paid to him as minimum remuneration for that year from the date of appointment.”

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS SPECIAL RESOLUTION:

11. TO APPOINT MR S G RAJGARHIA AS EXECUTIVE DIRECTOR-VICE CHAIRMAN OF THE COMPANY

“RESOLVED THAT subject to the provisions of Section 198, 269, 309, 314 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII of the Companies Act, 1956 consent of members of the Company be and is hereby given for the appointment of Mr S G Rajgarhia as a Whole-time Director of the Company, designated as Executive Director-Vice Chairman, for a period of 3 years w.e.f. March 04, 2013 upon the following terms and conditions:



1. **Basic Salary:** In the limits of ₹ 125,000/- to ₹ 200,000/- per month. In the first year it shall be ₹ 125,000 per month. Thereafter the Board shall fix annual increments every year within the above ceiling. First increment shall be due from April 1, 2013. Other allowances, bonus and perquisites linked with basic salary shall also proportionately increase.
2. **Bonus:** 20% of basic salary
3. **Perquisites:**
 - (a) **Housing:** Rent free furnished accommodation or house rent allowance in lieu thereof, either of which shall be subject to a maximum value of 50% of the basic salary.
 - (b) **Medical Reimbursement:** Reimbursement of medical expenses incurred by self and dependant family members subject to a ceiling of one month's basic salary in a year or three month's basic salary over a period of three years. He is also entitled to a medical insurance cover for ₹ 2.00 Lacs at present which may be increased in due course, under a group mediclaim policy taken by the Company and the proportionate premium on the same may also be taken as perquisite;
 - (c) **Leave Travel Allowance:** Reimbursement of travelling expenses incurred by self and dependent family members once a year subject to a ceiling of one months' basic salary.
 - (d) **Encashment of Earned Leave** as applicable to other employees of the Company and any other perquisites as payable to other employees of the Company as decided from time to time,
 - (e) **Provision of chauffeur driven car (s)** for official and personal purposes; Provision of telephone and internet at home and mobile phone. These facilities, to the extent used for official purposes, as far as can be ascertained, shall not be considered in the computation of limits of remuneration being approved herein.

The total of perquisites listed from 3 (a) to 3 (e) shall not exceed 100 percent of the basic salary mentioned at 1 above.
4. **Company's contribution to Provident Fund, Super-Annuation Fund, Annuity Fund** to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half month salary for each completed year of service and encashment of leave at end of the tenure shall not be included in the above limits of remuneration provided it is within the limits of Part II of Schedule XIII and also shall not be included in the limits of minimum remuneration, if any, becoming payable in the event of loss or inadequacy of profits.
5. **Commission:** over and above the remuneration mentioned aforesaid at the rate of 2 % of the net profits or such other percent as the Board of Directors may fix every year, provided that the total remuneration including basic salary, bonus, perquisites and commission shall be within the overall limits laid down in Section 198 and 309 of the Companies Act, 1956.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year during the tenure of Mr S G Rajgarhia as Executive Director-Vice Chairman, the remuneration and perquisites as given above or such remuneration as would be permissible under paragraph 1 (B) of Part II in Section II of Schedule XIII, having regard to the effective paid up capital of the Company, shall be paid to him as minimum remuneration for that year from the date of appointment."

TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION AS SPECIAL RESOLUTION:

12. VARIATION IN THE TERMS OF CONTRACT OF MR S C SARIN AS EXECUTIVE DIRECTOR-TECHNICAL ADVISOR OF THE COMPANY

"RESOLVED THAT subject to the provisions of Sections 198, 269, 309 and Schedule XIII and other applicable provisions of the Companies Act, 1956 consent of members of the Company be and is hereby given for change in designation and other terms and conditions of appointment of Mr S C Sarin, Executive Director-Technical Advisor of the Company w.e.f. March 04, 2013 till the remaining period of his tenure i.e. October 17, 2016. The revised terms and conditions of his appointment shall be as stated below:

1. **Basic Salary:** In the limits of ₹ 550,000/- to ₹ 1,000,000/- per month. In the first year it shall be ₹ 550,000 per month. Thereafter the Board shall fix annual increments every year within the above ceiling. First increment shall be due from April 1, 2014. Other allowances, bonus and perquisites linked with basic salary shall also proportionately increase.



2. **Bonus:** 20% of basic salary
3. **Perquisites:**
 - (a) **Housing:** Rent free furnished accommodation or house rent allowance in lieu thereof, either of which shall be subject to a maximum value of 50% of the basic salary.
 - (b) **Medical Reimbursement:** Reimbursement of medical expenses incurred by self and dependent family members subject to a ceiling of ₹ 100,000/- per annum. He is also entitled to a medical insurance cover for ₹ 2.00 Lacs at present which may be increased in due course, under a group mediclaim policy taken by the Company and the proportionate premium on the same may also be taken as perquisite.
 - (c) **Leave Travel Allowance:** Reimbursement of travelling expenses incurred by self and dependent family members once a year subject to a ceiling of ₹ 100,000/-.
 - (d) **Encashment of Earned Leave** as applicable to other employees of the Company and any other perquisites as payable to other employees of the Company as decide from time to time.
 - (e) **Reimbursement of Mobile Expenses:** to the extent used for official purposes, as far as can be ascertained, shall not be considered in the computation of limits of remuneration being approved herein.
4. **Company's contribution to Provident Fund, Super-Annuation Fund, Annuity Fund** to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half month salary for each completed year of service and encashment of leave at end of the tenure shall not be included in the above limits of remuneration provided it is within the limits of Part II of Schedule XIII and also shall not be included in the limits of minimum remuneration, if any, becoming payable in the event of loss or inadequacy of profits.
5. **Potential Bonus:** over and above the remuneration mentioned aforesaid up to a maximum of 30% of the gross annual salary as the Board of Directors may fix every year, provided that the total remuneration including basic salary, bonus, perquisites and potential bonus shall be within the overall limits laid down in Section 198 and 309 of the Companies Act, 1956.

FURTHER RESOLVED THAT in the event of loss or inadequacy of profit in any financial year during the tenure of Mr S C Sarin as Executive Director-Technical Advisor, the remuneration and perquisites as given above or such remuneration as would be permissible under paragraph 1 (B) of Part II in Section II of Schedule XIII, having regard to the effective paid up capital of the Company, shall be paid to him as minimum remuneration for that year from the date of appointment."

for **Orient Refractories Limited**

New Delhi
July 24, 2013

Sanjay Kumar
Company Secretary

NOTES

1. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 ("Act") in respect of the business under Item Nos. 6, 7, 8, 9, 10, 11 and 12 above, are annexed hereto. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/re-appointment as Directors under Item Nos. 2, 3, 6, 7, 8 and 9 of the Notice, are also annexed.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/ AUTHORITY, AS APPLICABLE.**
3. **THE REGISTER OF MEMBERS AND SHARE TRANSFER BOOK OF THE COMPANY WILL BE CLOSED FROM THURSDAY, SEPTEMBER 12, 2013 TO THURSDAY, SEPTEMBER 19, 2013 (BOTH DAYS INCLUSIVE).**
4. Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name and e-mail address, etc., to their depository participant. Changes intimated to the depository participant will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Transfer Agent.
5. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or the Company's Registrar and Transfer Agent for assistance in this regard.



6. Members holding physical shares in identical order of names in more than one folio are requested to send to the Company or the Company's Registrar and Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
7. Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
8. As you may be aware that the Ministry of Corporate Affairs of Government of India (MCA) has introduced "Green Initiatives in Corporate Governance" by allowing paperless compliances by the Companies i.e service of any document can be made through electronic mode. Keeping in view the underlying spirit and pursuant to the said initiative of MCA, your Company proposes to send all future communications and / or documents viz Notices, Annual Reports and other Shareholders information in electronic form through e-mail. Hence, the members are requested to register their e-mail address with the Company's Registrar & Share Transfer agent quoting your folio numbers in case you held shares in physical form or to your Depository Participants (DP) in case you held shares in Electronic Form i.e. in Demat Account, quoting your DP ID/Client ID. Please note that the said documents will be uploaded on the website of the Company www.orientrefractories.com for your ready reference.

Further please note that as a member of the Company, you are always entitled to request and receive free of cost a copy of the annual report of the Company and other documents in accordance with the provisions of the Companies Act, 1956.

We are sure that you will whole-heartedly support this initiative of Greener Environment and co-operate with the Company to make it success.

9. Members can avail nomination facility in respect of their shareholdings by applying in Form 2 B of Companies (Central Government's) General Rules & Forms, 1956. The said forms can be obtained from the Company's Registrar and Transfer Agent.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956.

ITEM NO. 6, 7, 8 AND 9

Ms Barbara Potisk Eibensteiner, Mr Michael John Williams and Mr Parmod Sagar were appointed by the Board of Directors as Additional Directors of the Company on March 04, 2013 and Mr Reinhold Steiner was appointed as an Additional Director of the Company on July 24, 2013. Mr Parmod Sagar was also appointed as the Managing Director of the Company. In terms of provisions of Section 260 of the Companies Act, 1956 they hold office till the date of this Annual General Meeting. Mr Parmod Sagar unless reappointed will also cease to be the Managing Director of the Company. The Company has received separate notices alongwith requisite deposits under Section 257 of the Act proposing the candidature of aforementioned persons for appointment as Directors at the ensuing Annual General Meeting and they have also confirmed their eligibility and willingness for the same.

The Board of Directors recommends their appointment as Director.

In terms of provisions of Companies Act, 1956, consent of members of the Company by way of Ordinary Resolution is required for their appointment.

None of the Directors, except Ms Barbara Potisk Eibensteiner, Mr Michael John Williams, Mr Parmod Sagar and Mr Reinhold Steiner are interested or concerned in the respective proposed resolutions.

ITEM NO. 10

The Board of Directors of the Company in their meeting held on March 04, 2013 appointed Mr Parmod Sagar as Managing Director of the Company for a period of five (5) years with effect from March 04, 2013 on terms and conditioned as approved and recommended by the remuneration committee of the Company.

Mr Parmod Sagar, aged 47 years, is a Mechanical Engineer, he did his Diploma in Mechanical Engineering from Amritsar Polytechnic in 1984 and further pursued his off- campus programme in B-Tech (Mechanical) from Vivekananda College, Secundrabad in 2004. He has having experience of 29 years. He started his carrier in continue casting department of a Steel plant and continue in steel industry till 1992. Joined Orient Refractories Limited (de-merged from Orient Abrasives Ltd.) on 15th April 1992 as Marketing Manager. Before taking up his present assignment, he was heading Marketing and Operations of Orient Refractories Ltd. as Senior Vice-President.



Mr Parmod Sagar has been highly instrumental in the progress made by the Company over the years. He has vastly contributed in successful implementation of various projects and in their growth. His technical expertise, industry experience and marketing knowledge have immensely helped the Company in production, maintenance and market development.

The attributes possessed by him like good business acumen, far-sightedness and leadership have largely propelled the activities of the Company and inspired the workforce. Mr Parmod Sagar is the key-person in helping to coordinate the activities of various branches and the plants and in making the Company work as an integrated unit.

As Managing Director, he has the responsibility of virtually looking after the entire activity of the Company. His performance in the Company in various capacities and as a Senior Vice President has been commendable. The Board of Directors deemed it to be in the interest of the Company to avail the services of Mr Parmod Sagar as Managing Director for five (5) years.

In terms of provisions of Companies Act, 1956 read with Schedule XIII, consent of members of the Company by way of Special Resolution is required for his appointment.

An abstract of the terms of the contract between the Company and Mr Parmod Sagar and of the memorandum of interest under Section 302 of the Companies Act, 1956 dated March 18, 2013 already circulated to the members of the Company.

The said contract is open for inspection on all working days during business hours at the registered office of the Company.

None of the Director except Mr. Parmod Sagar himself is interested or concerned in the proposed resolution.

ITEM NO. 11

Mr S G Rajgarhia who resigned from the position of Managing Director of the Company on March 04, 2013 was appointed as an Executive Director of the Company by the Board of Directors in their meeting held on March 04, 2013 to hold office for a period of three (3) years with immediate effect. He was assigned the designation and role of Vice Chairman. The payment of remuneration to Mr S G Rajgarhia as recommended by the remuneration committee of the Company was also approved by the Board of Directors. He is also holding the position of Managing Director in Orient Abrasives Ltd.

In terms of provisions of Companies Act, 1956 read with Schedule XIII, consent of members of the Company by way of Special Resolution is required for his appointment as Executive Director of the Company.

An abstract of the terms of the contract between the Company and Mr S G Rajgarhia and of the memorandum of interest under Section 302 of the Companies Act, 1956 dated March 18, 2013 already circulated to the members of the Company.

The said contract is open for inspection on all working days during business hours at the registered office of the Company.

None of the Director except Mr S G Rajgarhia himself is interested or concerned in the resolution.

ITEM NO. 12

Mr S C Sarin was appointed as Executive Director of the Company for a period of five (5) years with effect from October 18, 2011. The appointment was approved by the shareholders in their Annual General Meeting held on November 11, 2011.

Since Mr S C Sarin devotes his full time to the Company on technical advisory and research matters, the Board of Directors in their meeting held on March 04, 2013 re-designated him as Executive Director-Technical Advisor of the Company and also approved revision in his remuneration and other terms and conditions as recommended by the remuneration committee of the Company. Mr S C Sarin will directly report to the Board of Directors of the Company.

In terms of provisions of Companies Act, 1956 read with Schedule XIII, consent of members of the Company by way of Special Resolution is required for change in designation and terms and conditions of appointment of Mr S C Sarin.

An abstract of the terms of the contract between the Company and Mr S C Sarin and of the memorandum of interest under Section 302 of the Companies Act, 1956 dated March 18, 2013 already circulated to the members of the Company.

The said contract is open for inspection on all working days during business hours at the registered office of the Company.

None of the Director except Mr S C Sarin is himself interested or concerned in the resolution.


DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Particulars	Mr S G Rajgarhia	Mr K K Thirani	Ms. Barbara Postik Eibensteiner	Mr. Michael John Williams	Mr. Parmod Sagar	Mr. Reinhold Steiner
Date of Birth	August 21,1946	August 11,1947	September 09,1968	March 12,1957	September 04,1965	October 06,1964
Date of Appointment	November 26, 2010	October 18, 2011	March 04, 2013	March 04, 2013	March 04, 2013	July 24, 2013
Qualifications	- B Tech. (Hons.) - S.M. (MIT)	B.Com	- Graduation in Business Administration - EFFAS Diploma, Certified European Financial Analyst Certified International	- Higher National Certificate with Endorsement in Chemical Engineering - City & Guilds in Chemical Plant Operations - Royal Society for Prevention of Accidents Certification	- B-Tech (Mechanical)	- Graduation in Petroleum Engineering
Expertise in specific functional areas	Techno Commercial (Operation & Marketing) Abrasives & Refractory Industries	Accounts & Finance	Finance	Marketing	Techno Commercial (Operation & Marketing) Refractory Industry	Techno Commercial (Management, Operation & Marketing)
Directorships held in other public companies (excluding foreign companies and section 25 companies)	- Orient Abrasives Limited - Rajat Leasing Limited - APM Industries Limited - Autometers Alliance Limited - Suvidha Parklift Limited	- Autometers Limited - Goldwyn Limited - Venture Capital Leasing Limited - RMG Autometers Gas Technologies Limited - Autometers Alliance Limited	-	- RHI Clasil Limited	-	-
Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Shareholders/ Investors Grievance Committee)	Shareholders/ Investors Grievance Committee Member - Orient Abrasives Limited	-	-	-	-	-
Number of shares held in the Company	5,994,947	-	-	-	19,698	-



DIRECTORS' REPORT

Dear Members

Your directors have pleasure in presenting the third annual report of your Company along with the audited financial statements for the financial year ended March 31, 2013.

FINANCIAL RESULTS

	(₹ In Lacs)	
PARTICULARS	2012-2013	2011-2012
Net Sales & Income	36,189.13	30,472.37
Profit before depreciation, interest and tax	6,654.88	5,224.68
Less: Depreciation	379.21	296.59
Interest	131.41	344.42
Profit before Income Tax	6,144.26	4,583.67
Less: Income Tax	2,005.24	1,502.74
Net Profit for the year	4,139.02	3,080.93
Add: Balance brought forward from the previous year	666.04	-9.32
Amount available for appropriation	4,805.06	3,071.61
Appropriation:		
General Reserve	1500.00	1,000.00
Final Dividend on Equity Shares	1,201.39	0.00
Interim Dividend on Equity Shares	0.00	1,201.39
Corporate dividend tax	204.18	204.18
Balance carried forward to balance sheet	1,899.49	666.04

OPERATIONS REVIEW

During the year under review your Company has achieved the net sales of ₹ 36,189.13 Lacs (previous year ₹ 30,472.37 Lacs) which is 18.76 % more than the previous year. Profit before tax for the financial year 2012-13 was ₹ 6,144.26 Lacs (16.98% of Net sales) as compared to ₹ 4,583.67 Lacs in 2011-12 (15.04% of Net Sales).

FUTURE OUTLOOK

During the financial year 2013-14, in spite of slowdown in industry growth, high inflation, fall of rupee, etc, your Company has done a net sales of ₹ 9,698.98 Lacs in first quarter ended on June 30, 2013, an increase of 5.43% over first quarter (Net Sales ₹ 9,172.55 Lacs) of corresponding previous year 2012-13. During first quarter of 2013-14 the profit before tax is ₹ 1,848.11 Lacs which is 27 % more than the profit before tax (₹ 1,353.36 Lacs) of quarter ending on June 30, 2012.

Your directors are hopeful that the turnover and profitability of the Company will increase in the current financial year.

DIVIDEND

Based on the Company's performance, your directors are pleased to recommend a final dividend of ₹ 1.00 per share (i.e. 100%) for the financial year 2012-13 on the capital of 120,139,200 equity shares of ₹ 1.00 each. The final dividend on the equity shares, if approved by the members would involve a cash outflow including dividend distribution tax of ₹ 1,405.57 Lacs (previous year final dividend ₹0.00 and interim dividend ₹1,405.57 Lacs).

CHANGE OF MANAGEMENT AND CONTROL

There has been a change in management and shareholding control in the Company. During the year, pursuance to share purchase agreement vide dated January 15, 2013 entered by M/s Dutch US Holding B.V. Netherlands with Mr S G Rajgarhia and other ex-promoters of the Company, and also post offer made to shareholders of the Company under Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeover) Regulations. M/s Dutch US Holding B.V. acquired 52,401,579 (43.62%) equity shares on March 04, 2013 from the ex-promoters and thus acquired control over the Company and immediately thereafter, change in management took place. M/s Dutch US Holding B.V. also acquired 31,236,192 (26.00%) equity shares under above said open offer. As on date total equity holding of M/s Dutch US Holding B.V. is 83,637,771 (69.62%).