

MARATHWADA REFRACTORIES LIMITED

38th

ANNUAL REPORT

**2016
2017**

MARATHWADA REFRACTORIES LIMITED

BOARD OF DIRECTORS

Mr. H.S. Girish Gupta
Mr. Ganapathy Venkatesh
Ms. Aparna Goel
Mr. Dig Vijay Singh

BANKERS

Punjab National Bank, Bangalore

AUDITORS

M/s. Guru & Jana, Chartered Accountants,
No. 41, Patalamma Temple Street,
Basavanagudi, Bangalore- 560004

REGISTERED OFFICE

41, Vittal Mallya Road, Bangalore - 560001.
Ph : +91 80 41300000

REGISTRAR AND SHARE TRANSFER AGENT :

M/s. Link Intime India Private Limited
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai- 400 083.

Marathwada Refractories Limited

(CIN: L26980KA1979PLC061580)

Registered Office : # 41, Vittal Mallya Road, Bangalore - 560001

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Company will be held on ~~Friday~~ the September 29, 2017 at 11.00 AM at the Registered Office of the Company at # 41, Vittal Mallya Road, Bangalore - 560001 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2017, together with the Board's and Auditors Reports thereon.
2. To appoint a Director in place of Mr. Ganapathy Venkatesh (DIN: 07207056), who retires by rotation and being eligible has offered himself for reappointment.
3. To ratify the appointment of auditor of the Company.

To consider and, if thought fit, to pass the following resolution which will be proposed as an Ordinary Resolution:

RESOLVED THAT pursuant to provisions of Section 139 of the Companies Act, 2013 and all other applicable provisions, the appointment of M/s. Guru & Jana, Chartered Accountants, Bangalore (Firm Registration No. 0068265), as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the Thirty Ninth Annual General Meeting be and is hereby ratified, at a remuneration to be fixed by the Board of Directors of the Company.

Bangalore
07.09.2017

By order of the Board of Directors

Sd/-
H.S. Girish Gupta
Managing Director
DIN No : 01683190

NOTES :

1. A Shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a Shareholder of the Company. The proxy form must be deposited in original with the Company at its Registered Office at No. 41, Vittal Mallya, Road, Bangalore- 560001, in order to be effective, must be received at the registered office of the company not less than forty-eight hours before the time fixed for the meeting. No photocopy/ scanned copy of a completed proxy form will be accepted.
2. The Register of Shareholders of the Company will remain closed from **24th September 2017 to 30th September, 2017**, both days inclusive;
3. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards issued by the Institute of Company Secretaries of India, additional information on directors recommended for appointment at the Annual General Meeting and director liable to retire by rotation and seeking re-election are given in the Annexure to this Notice.
4. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Shareholders holding shares in **physical mode** are requested to file a Nomination Form in respect of their shareholdings. Any Shareholder wishing to avail of this facility may submit to the Company's Share Transfer Agent ("STA") or Marathwada Refractories Limited, in the prescribed statutory form SH-13.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend the meeting on their behalf
6. Shareholders are requested to notify immediately any change in their addresses to the Company's Share Transfer Agent or Marathwada Refractories Limited.
7. A Shareholder or his proxy will be required to produce at the entrance to the meeting hall, the attendance slip sent herewith duly completed and signed. Neither photocopies nor torn/mutilated attendance slips will be accepted. However, Shareholders who have received the Annual Report on e-mail can download and print the attendance slip themselves. These should be completed, signed and handed over at the entrance to the meeting hall. The validity of the attendance slip will, however, be subject to the Shareholder continuing to hold equity shares as on the date of the meeting.
8. Shareholders are advised to bring their own copy of the Annual Report along with them for the meeting. Extra copies of the Annual Report will not be available at the meeting.
9. Shareholders, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, circulars etc, from the Company electronically.
10. i) Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 the Shareholders have been provided e-voting facility to exercise their right to vote at the General Meeting by electronic means. The Company is offering e-voting option to all the Shareholders. For this purpose, the Company has signed an Agreement with Central Depository Services Limited ("CDSL") for facilitating e-voting to enable Shareholders to cast their votes for all the items of business in the notice electronically.
ii) The facility of ballot paper voting shall be made available at the meeting and the members attending the meeting who have not already cast their vote by e-voting shall be able to exercise their right at the meeting. For abundant clarity, in the event of poll, please note that the Shareholders who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company. The poll process shall be conducted and the consolidated scrutinizer report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014. Mr. Swaroop S, practicing Company Secretary (C P No- 9997) has been appointed as scrutinizer in this regard.
11. The members who have cast their vote electronically prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 1. Voting rights shall be reckoned on the paid up value of the shares registered in the name of the member/ beneficial owner (in case of electronic shareholding) as on the cut of date i.e **22nd September, 2017**. A person,

whose name is recorded in the register of members or in the register of beneficial owners maintained by depositories as on the cutoff date i.e 22nd September, 2017 only, shall be entitled to avail the facility of e-voting/ ballot voting.

2. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **September 26, 2017 at 9.00 AM** and ends on **September 28, 2017 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 22, 2017**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For Members holding shares in Demat Form and Physical Form | |
|---|---|
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>✦ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>✦ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p> |
| DOB | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p> |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>✦ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p> |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <MARATHWADA REFRATORIES LIMITED> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for

voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - ❖ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ❖ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ❖ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ❖ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xx) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- (xxi) In case of joint shareholders attending the meeting only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

By order of the Board of Directors

Bangalore
01.09.2017

Sd/-
H.S. Girish Gupta
Managing Director
DIN No. : 01683190

MARATHWADA REFRACTORIES LIMITED

BOARDS' REPORT

To,
The Members,
Marathwada Refractories Limited

Your Directors have pleasure in presenting the Thirty Eighth Annual Report of your Company together with audited statement of Accounts and the Auditor's Report in respect of the year ended March 31, 2017.

Financial Highlights

The financial results for the year ended 31st March, 2017 and the corresponding figures for the last year are as under :

| Particulars | 2016-2017 | 2015-2016 |
|---|-----------|-----------|
| Gross Income | 11,34,107 | 12,44,085 |
| Profit Before Interest and Depreciation | 1,28,782 | 19,544 |
| Finance Charges | 414 | 68 |
| Gross Profit | 1,28,368 | 19,476 |
| Provision for Depreciation | - | - |
| Net Profit Before Tax | 1,28,368 | 19,476 |
| Income Tax- current year | 38,216 | 5,318 |
| Deferred Tax | 766 | 699 |
| Net Profit After Tax | 89,386 | 13,459 |

Reserves & Surplus

As the Company has earned a profit of Rs. 89,386/- for the year, the entire amount is proposed to be transferred to the Reserve.

Performance:

During the year under consideration the company has earned income mainly from interest as it has already closed manufacturing operations. The Company is in the process of identifying business opportunities.

The annexed Management Discussion and Analysis forms a part of this report of the Company during the financial year 2016-2017.

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following is attached:

- * The report on Corporate Governance in accordance with Regulation 34(3) read with Schedule V of the said Regulations along with the auditor's certificate

Dividend:

The Board of Directors has not recommended any dividend for the year under review.

Events Subsequent to the date of Financial Statements

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and on the date of this report.

Directors :

The Board was duly constituted during the year under review.

Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

Key Managerial personnel

During the year under review, in accordance with Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Ms. Juhie Sinha an associate member of the Institute of Company Secretaries of India, was appointed as Company Secretary and Compliance Officer of the Company with effect from March 31, 2017.

Board Meetings

During the year, the Board met Five times during the financial year, the details of which are given in the Report on Corporate Governance.

In accordance with Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, one separate meeting was held by the independent directors of the Company as mentioned in the Report on Corporate Governance.

Audit Committee

An Independent Audit Committee in line with the SEBI (LODR) 2015 and Companies Act, 2013 was set up by the Company. Since, the constitution of the Committee is in line with the requirements under Section 177 of the Companies Act, 2013 as well, no changes were required to be made to the Committee structure during the year.

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- * efficiency and effectiveness of operations;
- * safeguarding of assets and adequacy of provisions for all liabilities;
- * reliability of financial and other management information and adequacy of disclosures;
- * compliance with all relevant statutes.

The minutes of the Audit Committee meetings are placed before the Board of Directors in the subsequent Board Meeting.

During the year 2016-17, the Audit Committee met on five occasions i.e. May 30, 2016; August 12, 2016; November 14, 2016; February 11, 2017 and March 31, 2017. The necessary quorum was present in all the meetings.

Present composition of the Audit Committee is as under:

1. Mr. Dig Vijay Singh - Independent Director & Chairperson
2. Mr. Ganapathy Venkatesh - Director & Member
3. Ms. Aparna Goel - Independent Director & Member

Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Board comprises of three Directors. During the year 2016-17, the Nomination and Remuneration Committee met on three occasions i.e. on August 12, 2016; November 14, 2016 & March 31, 2017. The Committee has in place a Nomination and Remuneration policy in line with the requirements under the Companies Act, 2013 and under the SEBI (LODR) 2015.

Present composition of the Nomination & Remuneration Committee is as under:

1. Mrs. Aparna Goel - Independent Director & Chairperson
2. Mr. Ganapathy Venkatesh - Director & Member
3. Mr. Dig Vijay Singh - Independent Director & Member

Stakeholders' Relationship Committee

The Company has a Stakeholders Relationship Committee of Directors in place. The Committee looks into redressing of shareholder and investors complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend and related matters.

Present composition of the Stakeholders' Relationship Committee is as under:

1. **Mrs. Aparna Goel** - Independent Director & Chairperson
2. **Mr. Ganapathy Venkatesh** - Director & Member
3. **Mr. Dig Vijay Singh** - Independent Director & Member

During the financial year, the Stakeholders' Relationship Committee met 1 (One) time, the details of which are given in the Report on Corporate Governance.

Company's Policy on Directors' Appointment and Remuneration and Senior Management Appointment and Remuneration.

The policies of the Company on Directors' Appointment and Remuneration and Senior Management Personnel Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013 are enclosed as Annexure 1 and 2 and forms part of this report. There has been no change in the policy since the last financial year.

Remuneration Details of Directors/ Key Managerial Personnel (KMP) and Employees

None of the Directors, Key Managerial Personnel and Employees are covered under Section 134 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Board Evaluation

Regulation 17(10) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 mandates the performance evaluation of independent directors by the entire board of directors. Whereas, Regulation 25(4) of the said regulations mandated performance review of non-independent directors and the Board as a whole by the independent directors.

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees, individual directors, key managerial personnel etc. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire board of directors excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board at its meeting held on November 11, 2015 has adopted a policy on performance evaluation as recommended by the Nomination and Remuneration Policy.

The Nomination and Remuneration Committee carried out the performance evaluation of individual director. Accordingly, the performance evaluation of all independent directors was done by the entire board of directors excluding the director being evaluated. The performance evaluation of non-independent directors was carried out by the independent directors. Thereafter, the Board as a whole analyzed its own performance, its committees and approved the evaluation results as collated by the Nomination and Remuneration Committee.

The performance evaluation was done based on some assessment criteria such as attendance and participations in meetings, objective evaluation and updation of skills etc. Based on assessment criteria a rating scale of 1 to 5 was assigned to each director.

Statutory Auditors

At the Annual General Meeting of the Company held on September 23, 2014 M/s. Guru & Jana, Chartered Accountants (Firm Registration Number 0068265) were re-appointed as the Statutory Auditors of the Company for a period of 3 years (re-appointment from the conclusion of the 35th Annual General Meeting till the conclusion of the 38th Annual General Meeting) which is subject to annual ratification by the members of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Board has proposed their continuance as Statutory Auditors of the Company from the conclusion of 38th Annual General Meeting till the conclusion of 40th Annual General Meeting. The members may ratify the appointment of M/s Guru & Jana as the Statutory Auditors of the Company for the financial year 2017-18.

There are no qualifications or adverse remarks in the Statutory Auditors' Report which require any explanation from the Board of Directors.

Internal Auditors

In accordance with Section 138 of the Companies Act, 2013 read with Rule 13 of Chapter IX of the said Act, the Board appointed M/s B.S.Venkatachalapathy & Co., Chartered Accountants, Bangalore (Firm Registration No. 0130375) as Internal Auditor of the Company for the Financial Year 2017-18 to conduct internal audit.

Secretarial Audit

The Secretarial Audit Report for the year ended March 31, 2017 issued by Mr. Rafeeulla Shariff, Practicing Company Secretary in accordance with the provisions of Section 204 of the Companies Act, 2013. Secretarial Auditor's report forms part of the Annual Report.

There are certain observations or remarks in the Secretarial Audit Report and which are replied by the Board as follows

In respect of the comments of the Secretarial Auditors on the appointment of Chief Financial officer as Key Managerial Personnel of the Company pursuant to the provisions of section 203 of the Companies Act, 2013, the Company had taken steps to recruit the Chief Financial officer, however, the Company have not found suitable candidates for appointment, but the Company is in the process of appointing the Chief Financial Officer.

Significant and Material orders, if any

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

Related Party transactions

During the year, the Company has not entered into any contract / arrangement / transaction with a related party which can be considered as material in terms of the policy on related party transactions laid down by the Board of Directors. The related party transactions undertaken during the financial year 2016-17 are at arm's length basis and in the ordinary course of business as detailed in Notes to Accounts of the Financial Statements.

Loan, Guarantees or Investments

During the year under review, no loans given, investment made, guarantees given by the Company

Public Deposits :

During the year, the Company has not accepted any deposits.

Subsidiary/Joint Ventures/Associate Companies

The Company has no Subsidiary/Joint Venture/Associate Companies.

Risk management policy

Since the Company has already closed its manufacturing operations and is in the process of identifying business opportunities, the Company has no such policy in place as of now. As and when the Company will resume its operations, the Company shall formulate a risk management policy.

Vigil Mechanism/Whistle Blower Policy

In accordance with Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (previously clause 49(II)(F) of the listing agreement) the Company has in place a Whistle Blower Policy for its directors and employees to report concerns about unethical behavior, actual or suspected fraud. The policy provides for protected disclosures which can be made by a complainant through e-mail or a letter to the Chairperson of the audit committee. The Company did not receive any complain during the year 2016-17.

Corporate Social Responsibility

The provisions of corporate social responsibility are not applicable to the Company

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) ACT, 2013

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complain during the year 2016-17.

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 ("the Act") and, based upon representations from the Management, the Board states that:

- a) in preparing the annual accounts, applicable accounting standards have been followed and there are no material departures;
- b) the Directors have selected accounting policies, applied them consistently and made judgments and estimates that are reasonable and prudent 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 loss of the Company for the year;
- c) the Directors have taken proper and sufficient care in maintaining adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts of the Company on a "going concern" basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure proper compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

(a) Conservation of energy

| | | |
|-------|---|-----|
| (i) | the steps taken or impact on conservation of energy | Nil |
| (ii) | the steps taken by the company for utilizing alternate sources of energy. | Nil |
| (iii) | the capital investment on energy conservation equipment's | Nil |

(b) Technology absorption

| | | |
|-------|--|-----|
| (i) | the effort made towards technology absorption | Nil |
| (ii) | the benefits derived like product improvement cost reduction product development or import substitution | Nil |
| (iii) | in case of imported technology (important during the last three years reckoned from the beginning of the financial year) | Nil |
| | (a) the details of technology imported | |
| | (b) the year of import; | |
| | (c) whether the technology been fully absorbed | |
| | (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof | |
| (iv) | the expenditure incurred on Research and Development | Nil |

(c) Foreign exchange earnings and Outgo:

There was no foreign exchange inflow or Outflow during the year under review.

Extract of Annual Return

In terms of Section 134 of the Companies Act, 2013 read with Rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2016-17 is provided in Annexure-3 to this report.

Corporate Governance

Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in corporate governance. Our Report on Corporate Governance forms part of this report.

Transfer of Amounts to Investor Education and Protection Fund

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

for and on behalf of the Board of Directors
Marathwada Refractories Limited

Place : Bangalore
Dated : August 11, 2017

Sd/-
H.S. Girish Gupta
Managing Director
DIN : 01683190

Sd/-
Ganapathy Venkatesh
Director
DIN : 07207056

REPORT ON CORPORATE GOVERNANCE

1. The Company's Philosophy on Code of Governance

The basic principles of good corporate governance are to maximize all the stakeholders' value and to ensure that transparency, integrity and accountability of highest order are maintained in all its transactions with the stakeholders both within and outside the Company, at all times. It has been the endeavor of the company to follow and practice the "principle of integrity" and its leadership is committed in following the Code of Conduct of the company in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in letter and spirit. The Securities and Exchange Board of India (SEBI) has notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) on September 02, 2015 replacing the earlier listing agreement (w.e.f. December 01, 2015) and is aimed to streamline the provisions of listing agreements for different segments of capital markets viz equity, debentures etc.

In conformity with the above principles, the Board of Directors of your Company monitors the functions of the Management closely so that the interests of all the stakeholders of the Company are well protected at all times.

2. Board of Directors

As at 31st March, 2017, our Board consists of four Directors. Mr. H.S. Girish Gupta is the Managing Director of the Company. Of the one Non-executive Director, Two are Independent Directors.

The Board met 5 (Five) times during the Financial Year, i.e. on May 30, 2016; August 12, 2016; November 14, 2016; February 11, 2017 and March 31, 2017.

3. Independent Directors Meeting

In accordance with Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandate that the independent directors of the Company hold at least one separate meeting in a year without the attendance of non-independent directors. This meeting is expected to review the performance of the non-independent directors and the Board as a whole as well as the performance of chairman of the Board and assess the quality, quantity and timeliness of flow of information between the Management and the Board.

On March 31, 2017 a separate meeting was held by the independent directors of the Company. All independent directors of the Company were present at the meeting.

Details of attendance of Directors at Board Meetings during the Financial Year and at the Company's Thirty-Seventh Annual General Meetings together with the number of directorships and committee memberships held by them are as follows:

| Name | Category | Board Meeting attendance | AGM attendance | No. of other Directorship* | No. of other Committee positions held in Other Companies | |
|-------------------------|------------------------|--------------------------|----------------|----------------------------|--|----------|
| | | | | | Member | Chairman |
| Mr. H.S.Girish Gupta | Managing Director | 5 | Yes | 17 | - | - |
| Ms. Aparna Goel | Independent Director | 5 | Yes | 8 | - | - |
| Mr. Dig Vijay Singh | Independent Director | 5 | Yes | 5 | - | - |
| Mr. Ganapathy Venkatesh | Non Executive Director | 5 | Yes | 19 | - | - |

*Includes directorships in private Companies

All Board members have, as on 31st March, 2017 affirmed their compliance with:

- * The fundamental code of conduct for all members of the board and
- * The Company's Code of Conduct for prevention of insider trading in its shares.

3. Audit Committee

Composition, Meetings and Attendance

Pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not mandatorily required to comply with provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015. However, the Board has constituted the audit Committee at its meeting held on March 30, 2015. Accordingly, the Audit Committee was reconstituted by the Board of Directors. At present the following are members for the Committee.

1. Mr. Dig Vijay Singh - Chairman of the Committee
2. Mr. Ganapathy Venkatesh - Member
3. Ms. Aparna Goel - Member

Terms of Reference

The terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Audit Committee met 5 (Five) Times during the Financial Year, i.e., on May 30, 2016; August 12, 2016; November 14, 2016, February 2017 and March 31, 2017

The attendance of the members at the Audit Committee meeting is as under:

| SI No | Name of Members | Number of Audit Committee Meetings Attended |
|-------|-------------------------|---|
| 1 | Mr. Dig Vijay Singh | 5 |
| 2. | Ms. Aparna Goel | 5 |
| 3. | Mr. Ganapathy Venkatesh | 5 |

4. Nomination and Remuneration Committee

Composition, Meetings and Attendance

Pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not mandatorily required to comply with provisions of Regulation 19 of the SEBI (LODR) Regulations, 2015. However, the Board has constituted the Nomination and Remuneration Committee at its meeting held on March 30, 2015. Accordingly, the Nomination and Remuneration Committee was reconstituted by the Board of Directors. At present the following members for the Committee.

1. Ms. Aparna Geol - Chairman of the Committee
2. Mr. Ganapathy Venkatesh - Member
3. Mr. Dig Vijay Singh - Member

The Nomination and Remuneration Committee met 3 (Three) times during the Financial Year, i.e. on August 12, 2016; November 14, 2016 and March 31, 2017.

The attendance of the members at the Nomination and Remuneration Committee meeting is as under:

| SI No | Name of Members | Number of Nomination and Remuneration Committee Meetings Attended |
|-------|-------------------------|---|
| 1 | Mr. Dig Vijay Singh | 3 |
| 2. | Ms. Aparna Goel | 3 |
| 3. | Mr. Ganapathy Venkatesh | 3 |

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee and its role is as prescribed in sub-sections (3) and (4) of Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee has formulated the following policies in accordance with the aforesaid provisions:

- (i) Directors' Appointment and Remuneration Policy;
- (ii) Senior Management Personnel (excluding Executive Directors') Appointment and Remuneration Policy.

The aforesaid policies have been annexed with the Boards' Report

The Nomination and Remuneration Committee has also formulated a policy on performance evaluation of independent directors and the board of directors etc. based on some criteria's, the brief outline of which has already been provided in the Board's Report.

5. Stakeholders' Relationship Committee

Composition, Meetings and Attendance

Pursuant to Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not mandatorily required to comply with provisions of Regulation 20 of the SEBI (LODR) Regulations, 2015. However, the Board has constituted the Stakeholders' Relationship Committee at its meeting held on March 30, 2015. Accordingly, the Stakeholders' Relationship Committee was reconstituted by the Board of Directors. At present the following are members for the Committee.

- 1. Ms. Aparna Geol - Chairman of the Committee
- 2. Mr. Ganapathy Venkatesh - Member
- 3. Mr. Dig Vijay Singh - Member

Terms of Reference

The Committee monitors the Company's response to investor complaints. It has also been authorized to approve the issue of duplicate share certificates in lieu of those lost or destroyed.

In accordance with the provisions of SEBI (LODR) Regulations, 2015 the Committee has the power to resolve the grievances of the shareholders including complaints related to transfer of shares, non-receipt of annual report etc.

As on 31st March, 2016, there was no pending request for dematerialization or for physical transfer of shares. There were no pending complaints from the shareholders as on 31st March, 2016.

6. Remuneration of Executive Directors

During the year under review, no remuneration has been paid to the executive director.

7. General Body Meetings

(i) Particulars of past three Annual General Meetings

Annual General Meetings:

| Year | Date | Time | Venue | Special Resolutions passed |
|---------|------------|------------|-------------------|--|
| 2012-13 | 22.08.2013 | 11.00 A.M. | Registered Office | Nil |
| 2013-14 | 23.09.2014 | 11.00 A.M. | Registered Office | Nil |
| 2014-15 | 29.09.2015 | 11.00 A.M. | Registered Office | Nil |
| 2015-16 | 29.09.2016 | 11.00 A.M. | Registered Office | 1) Appointment of Mr. Dig Vijay Singh as an Independent Director |

(ii) Whether any Special Resolution passed last year through postal ballot

No Special Resolution was passed by postal ballot during the Financial Year 2016-2017.

(iii) Proposal to pass any Special Resolution through postal ballot

No Special Resolution proposed to pass through postal ballot

8. Means of Communication

Annual report in respect of each financial year is sent to all shareholders in the month of August or September of each calendar year. Each report contains the annual accounts of the company in respect of the financial year with the Board's and Auditor's reports. Also included in each annual report is the notice convening the Annual General Meeting, the financial year's cash flow statement together with the corresponding reports of the auditors, the accounts and the Auditor's report thereon.

| | |
|---|---|
| Quarterly results | The Quarterly results of the company is published in news papers |
| Whether website also displays official news Releases and the presentations made to Institutional investors or to the analysts | All corporate information filed by the Company with the stock exchanges uploaded on http://listing.bseindia.com/ (BSE) and can be viewed on http://www.bseindia.com of the stock exchange. |
| Newspapers in which results are normally Published | The Financial Express &Vijayavani |

9.

General Disclosures

- a. there were no materially significant transactions during the financial year with related parties such as Promoters, Directors, key managerial personnel, relatives that could have potential conflict of interest with the Company;
- b. the mandatory disclosure of transactions with related parties, in compliance with the Accounting Standard (AS-18), form part of this Annual Report;
- c. no shares held by the Non-executive Directors in the Company
- d. in preparing the Annual Accounts in respect of the financial year ended 31st March, 2017, no accounting treatment was different from that prescribed in the Accounting Standards. The significant accounting policies which are consistently applied have been set out in the Notes to the financial statements;
- e. there was no instance of non-compliance on any matter relating to the capital markets during the past three years;
- f. in accordance with Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the provisions pursuant to Regulations 17 to 27 of the SEBI (LODR) Regulations, 2015 are not applicable to the Company. In pursuit of compliance with the provisions of the Companies Act, 2013 and for good corporate governance, the Company voluntarily complies with the aforesaid Regulations.
- g. the Company has adopted a Code of Conduct for Prevention of Insider Trading in the shares of the Company for Directors and other identified persons in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h. the Company has a Whistle Blower Policy. It is affirmed that no personnel has been denied access to the Chairman of the Audit Committee in terms of the Policy. During the year, Nil complaints were filed under the said Policy;
- i. the Company does not have any 'subsidiary';
- k. the Company has a policy on Related Party Transactions.
- l. the Company has a familiarization program for the Independent Directors, which is provided as part of the Director's Appointment and Remuneration Policy
- m. the Company has put in place a Board Evaluation process. A note on the same is provided in the Board's Report;
- n. the Company has put in place adequate internal control systems and procedures including adequate financial controls with reference to the Financial Statements;
- o. no fresh issue of shares took place during the financial year ended 31st March, 2016.
- p. the Company is also registered with SEBI Complaints Redress System (SCORES) for handling of investor/shareholders complaints and grievances.
- q. since the company has already closed its manufacturing operations, the company has no functional website as on date. However, the company is in the process of identifying business opportunities as well as configuring a fully functional website. Other than this, the Company has duly complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. General Information to Shareholders

- a. The Thirty Eighth Annual General Meeting will be held on **Saturday, September 30, 2017**, at No. 41, Vittal Mallya Road, Bangalore-560001.

b. Register of Shareholders

The Register of Shareholders will remain closed from 24th September 2017 to 30th September, 2017, both days inclusive;

c. Listing of Equity Shares on the Stock Exchanges

As on 31st March, 2017, the shares of the Company, are listed on the Bombay Stock Exchange Limited, Mumbai and the Calcutta Stock Exchange Limited, Kolkata. The respective Stock Codes of the above Stock Exchanges are:

| SL No. | Name of the Stock Exchange | Stock Code |
|--------|-------------------------------------|------------|
| 1 | The Bombay Stock Exchange | 502250 |
| 2 | The Calcutta Stock Exchange Limited | 23106 |

The listing fees for the financial year 2015-16, have been paid for the above Stock Exchanges.

The ISIN Number of the Company's shares in the dematerialized mode is INE347D01011

d. Market Price of the Company's Share vis-à-vis Sensex (in Rupees)

| Months | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | Jan-17 | Feb-17 | Mar-17 |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Share price (High) | 352 | 352 | 334.4 | 319 | - | 350.2 | 372 | 372.7 | - | - | - | 391.2 |
| Share price (Low) | 352 | 352 | 334.4 | 317 | - | 335.5 | 361 | .55 | - | - | - | 391.2 |

- e. In accordance with Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014, the Annual Report and Accounts, Annual General Meeting Notices, postal ballot notice, circulars, etc. are sent by electronic transmission to those shareholders whose e-mail addresses are made available to the Company by its shareholders and the depository. Physical copies of the documents are sent to those Shareholders who make a specific request in writing for the same. In respect of the year 2016-2017, the Company will follow the same procedure.

11. Registrar & Share Transfer Agent

Link Intime India Private Limited

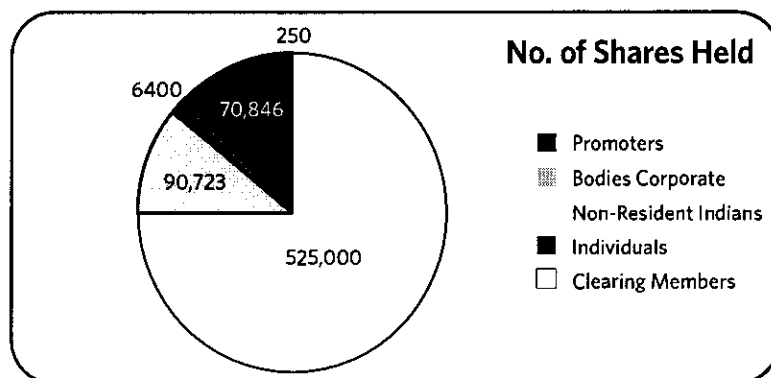
(Formerly Intime Spectrum Registry Limited) C-101, 247 Park L.B.S. Marge, Virhroli (West), Mumbai -400 083
Tel: 022-49186270 Fax: 022-49186060

The Company's shares are traded on the stock exchanges in dematerialized form. Shareholders are requested to ensure that their depository participants ("DPs") promptly send physical documents, ie. Dematerialisation Request Form ("DRF"), share certificates, etc. to the Registrar & Share Transfer Agent by giving the Dematerialisation Request Number ("DRN"). Documents of transfer in physical form, ie. The transfer deeds, share certificates, etc., to the Registrar & Share Transfer Agent

12. Distribution of Shareholding as on 31st March, 2017

a. Distribution of Shareholding as on 31st March 2017

| Category | No of shares held | % to Paid up capital |
|----------------------|-------------------|----------------------|
| Promoters | 5,25,000 | 75 |
| Bodies Corporate | 90,723 | 12,9604 |
| Non-Resident Indians | 6,400 | 0.91 |
| Individuals | 70,846 | 10,1208 |
| Clearing Members | 250 | 0.0357 |
| TOTAL | 7,00,000 | 100 |



b. Distribution Schedule as at 31st March 2017

| Shareholding range | Share holders | | Share holders | |
|--------------------|---------------|---------------|-----------------|---------------|
| | Number | % to Total | No. of shares | % to Total |
| (1) | (2) | (3) | (4) | (5) |
| Up to 500 | 205 | 89.5197 | 20,451 | 2,9216 |
| 501 - 1000 | 10 | 4.3668 | 7,489 | 1.0699 |
| 1001 - 2000 | 5 | 2,1834 | 7,550 | 1,0786 |
| 4001 - 5000 | 6 | 2,6204 | 28,001 | 4,0001 |
| 10001 and above | 3 | 1,3100 | 636,509 | 90,9299 |
| Total | 229 | 100.00 | 7,00,000 | 100.00 |

13. Address for Correspondence

Marathwada Refractories Limited

41, Vittal Mallya Road, Bangalore 560001

Telephone No. 080-41345712 Fax No.080-41325000 E-mail : girish.gupta@mantri.in

14. Reconciliation of Share Capital Audit

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditor's Certificate in regard to the same is submitted to the Bombay Stock Exchange Limited and the Calcutta Stock Exchange Limited.

15. Quarterly Compliance Report on Corporate Governance

In accordance with Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/5/2015, the Company submits quarterly Compliance Report on Corporate Governance with the Bombay Stock Exchange Limited and the Calcutta Stock Exchange Limited.

16. Compliance Certificate of the Auditors

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance and the same has been annexed with this report.

for and on behalf of the Board of Directors
Marathwada Refractories Limited

Place : Bangalore
Dated : August 11, 2017

Sd/-
H.S. Girish Gupta, Managing Director
DIN No. : 01683190

Sd/-
Ganapathy Venkatesh, Director
DIN No. : 07207056

ANNEXURES TO THE BOARD'S REPORT

Director Appointment and Remuneration Policy

This Director Appointment and Remuneration Policy (the "Policy") applies to the Board of Directors (the "Board") of Marathwada Refractories Limited (the "Company").

1. Purpose

The objective of this Policy is to provide a framework and set standards for the appointment of high quality directors who have the capacity and ability to lead the Company towards achieving sustainable development. The Company aims to achieve a balance of experience and skill amongst its Directors. It also defines the role of the Nomination and Remuneration Committee.

2. Accountability

2.1 The Board is ultimately responsible for the appointment of directors.

2.2 In terms of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the stock exchange(s), the Nomination and Remuneration Committee ("NRC") assesses and selects candidates for Directors and recommends to the Board their appointment.

3. Role of the Nomination and Remuneration Committee

The NRC is responsible for:

3.1 Reviewing the structure, size and composition (including the skill, knowledge and experience) of the Board and making recommendations on any proposed changes to the Board with due regard to Board diversity;

3.2 Identifying individuals suitably qualified to become Board members, Key Managerial and Senior Management Personnel.

3.3 Making recommendations to the Board on the appointment, re-appointment or removal of directors, Key Managerial and Senior Management Personnel.

3.4 Making recommendations for succession planning for Directors, Key Managerial and other Senior Management Personnel, including the Managing Director(s), Whole-time Director(s) and CEO.

3.5 Formulating criteria for evaluation of performance of every Director including Independent Directors and the Board;

3.6 Recommending remuneration payable to Senior and Key Management Personnel, executive and non-executive Directors including sitting fees;

4. Appointment of Directors

4.1 Matching the needs of the Company and enhancing the competencies of the Board are the basis for the NRC to select a candidate for appointment to the Board. When recommending a candidate for appointment, the NRC will have regard to:

- assessing the individual against a range of criteria including but not limited to industry experience, background, and other qualities required to operate successfully in the position, with due regard to the benefits of diversity of the Board;
- the extent to which the individual is likely to contribute to the overall effectiveness of the Board and work constructively with the existing Directors;
- the skills and experience the individual brings to the role and how these will enhance the skill sets and experience of the Board as a whole;
- the nature of positions held by the individual including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- the time commitment required from a Director to actively discharge his duties to the Company.

4.2 The recommended Director would:

- Have experience of management in a diverse organization;
- Have excellent interpersonal, communication and representational skills;
- leadership skills;
- Possess high standards of ethics, personal integrity and probity;
- Continuously refresh his professional knowledge and skills.

For details of the personal specifications of a Director, please refer to Attachment 1 to this Policy.

- 4.3 Every Director should ensure that he can give sufficient time and attention to the Company's affairs and regularly attend Board meetings and other committee meetings in which he is a member.
- 4.4 The Policy aims to engage directors (including non-executive and independent non-executive directors) who are highly skilled, competent and experienced persons in one or more fields of business, finance, accounting, law, management, sales, marketing, administration, corporate governance, technical operations or other disciplines related to the business of the Company and who shall be able to positively carry out their supervisory role over the policies of the management of the Company and the general affairs of the Company.
- 4.5 The Company is required to appoint at least one Independent Nonexecutive Director or Nonexecutive Director who must have the ability to read and understand the accounting or related financial management expertise in accordance with Clause 49 of the Listing Agreement with Stock Exchange(s).
- 4.6 In addition to those requirements specified in the clauses 4.2 and 4.3, the Independent Non-executive Directors shall also fulfill the requirements pursuant to Section 149 (6) of the Companies Act, 2013 and Clause 49 (II) (B) of the Listing Agreement with Stock Exchange (s).
- 4.7 In assessing the independence of a non-executive director, the following factors shall be taken into account:

Independent director shall mean a non-executive director, other than a nominee director of the Company:

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.
- b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- c. apart from receiving director's remuneration has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.
- e. Who, neither himself nor any of his relatives -
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of -
 - (A) a firm of auditors or Company Secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover or such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

- (v) is a material supplier, service provider or customer or a lessor or lessee of the company;
f. who is not less than 21 years of age.

Explanation

For the purposes of the sub-clause (1):

- i. "Associate" shall mean a company which is an "associate" as defined in Accounting Standard (AS) 23, "Accounting for Investments in Associates in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India;
- ii. "Key Managerial Personnel" shall mean "Key Managerial Personnel" as defined in section 2(51) of the Companies Act, 2013;
- iii. "Relative" shall mean "relative" as defined in section 2(77) of the Companies Act, 2013 and rules prescribed there under.

5. Letter of Appointment

5.1 Each director will be issued a Letter of Appointment signed by the Chairperson of the Board.

6. Appointment Procedure

- 6.1 The NRC shall ensure that the appointment of directors will be in terms of the Policy and recommendations made to the Board for appointment.
- 6.2 If required, an external data base can be used and advice taken to access a wide base of potential directors as prescribed under the Companies Act, 2013.

7. Appointment and Remuneration of Managerial Personnel

- 7.1 The NRC shall ensure that the appointment and remuneration payable to the Managing Director(s), CEO, Whole-time Directors, Manager, if any are in accordance with the provisions of Chapter XIII (Sections 196 to 203) read with Schedule V of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- 7.2 The NRC may recommend a suitable sitting fee, reimbursement of incidentals, travel and other expenses to non-executive directors as may be prescribed under the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

8. Familiarization Program

The Management will familiarize the Independent Directors on the following:

- a) Company's History, Structure and the Business Model;
- b) Memorandum & Articles of Association of the Company;
- c) Past 3 (three) years accounts and any important factors in the accounts of the Company;
- d) Interaction with other Directors on the Board and with the Senior Executives of the Company.

Chairperson - Nomination & Remuneration Committee

Attachment 1

Personal Specification for Directors

1. Qualifications

- Degree holder in relevant disciplines (e.g. management, accountancy, legal, sales, marketing, administration, finance and Corporate Governance and Manufacture industry related disciplines);or
- Recognised specialist.

2. Experience

- Experience of management in a diverse organization
- Experience in accounting and finance, administration, corporate, legal and strategic Planning;
- Ability to work effectively with other members of the Board.

Skills

- Excellent interpersonal, communication and representational skills;
- Leadership skills;
- Extensive team building and management skills
- Strong influencing and negotiating skills;
- Continuous professional development to refresh knowledge and skills;

4. Abilities and Attributes

- Commitment to high standards of ethics, personal integrity and probity;
- Commitment to observe the fundamental code of conduct.

Annexure 2

ANNEXURES TO THE BOARD'S REPORT

Senior Management & Key Managerial Personnel (excluding Executive Directors)

Appointment & Remuneration Policy

1. Statement of Purpose:

This Appointment & Remuneration Policy (Policy) of Marathwada Refractories Limited (Company) has been prepared to ensure the following:

- 1.1 This Policy is in compliance with Section 178 (1) of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.
- 1.2 Appointment & Remuneration of the key managerial personnel and senior management is aligned to the interests of the Company and its shareholders within an appropriate governance framework.
- 1.3. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate key managerial personnel and senior management of the quality required to run the company successfully.

2. Scope of policy:

Applies to all key managerial personnel and senior management personnel.

2.1. The expression "key managerial personnel" means:

- Company Secretary;
- Chief Financial Officer; and
- such other executive as may be prescribed

2.2. The expression "senior management" means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

3. Remuneration Philosophy for employees and new Hires:

The Company believes in paying its executives competitive remuneration. The remuneration philosophy aims at the following outcomes;

- 3.1 Remuneration is structured to align with the Company's interests, taking account of the Company's strategies and risks.
- 3.2 Drive Performance - Executive compensation is linked to individual and company performance, which, in turn, impacts the quantum of payout.
- 3.3 External Equity - Executive compensation is designed to be competitively benchmarked with the industry compensation or general industry compensation for applicable roles.
- 3.4 Internal Equity - Executives performing similar role, complexity of job are paid at similar compensation levels.
- 3.5 The Company complies with applicable legal requirements and appropriate standards of governance.

4. Remuneration guidelines:

- 4.1. The remuneration paid by the Company is classified under following major heads:-
- 4.1.1 **Total Fixed Cost:** This includes base salary, other cash allowances, perquisites and retirement benefits.
- 4.1.2 **Variable Cost:** This includes variable pay linked to Company and individual performance. Variable pay for senior executives constitutes a significant portion of total remuneration.
- 4.1.3 The sum total of the Total Fixed Cost and Variable Cost is called the Cost to Company in the relevant executive's remuneration package.
- 4.2 The Cost to Company being offered to a new hire for a replacement position or new position with reference to scope of this policy is governed by the remuneration philosophy as mentioned in clause no 3. The endeavour is to ensure internal equity in compensation is maintained, however, at the same time compensation is competitive to attract a new hire.
- 4.3 Remuneration is annually reviewed for all the executives who are eligible for compensation review in accordance with the remuneration philosophy.
- Chairperson - Nomination & Remuneration Committee

Annexure 4

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have covered the Management Discussion & Analysis as required under the Corporate Governance Requirements, as part of the Board's Report in appropriate places to avoid duplication and overlapping of contents of the said two reports.

Declaration by the Managing Director under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has obtained from all members of the Board affirmation that they have complied with Code of Conduct for the financial year ended March 31, 2017.

Bangalore
Date: August 11, 2017

Sd/-
H.S.Girish Gupta
Managing Director
DIN: 01683190

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN**ANNEXURE - 3**

As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|---|--|--|
| 1 | CIN | L26900KA1979PLC061580 |
| 2 | Registration Date | 02/11/1979 |
| 3 | Name of the Company | Marathwada Refractories Limited |
| 4 | Category/Sub-category of the Company | Indian Non-Government Company |
| 5 | Address of the Registered office & contact details | # 41, Vittal Mallya Road, Bangalore-560001, Contact Name: H.S. Girish Gupta Designation: Managing Director Ph No: +91 80 4134 5712 |
| 6 | Whether listed company | Yes |
| 7 | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s.Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 083 Contact Person: Swapan Kumar Naskar Tel: +91 11 4141 0592 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S.No. | Name and Description of Main Products / services | NIC Code of the Product/service | % to total turnover of the company |
|-------|--|---------------------------------|------------------------------------|
| 1 | The company has earned income mainly from interest as it has already closed manufacturing operations | | Nil |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S.No. | Name and address of the Company | CIN/GLN | Holding/Subsidiary/ Associate | % of shares held | Applicable Section |
|-------|---------------------------------|---------|-------------------------------|------------------|--------------------|
| NA | | | | | |

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the end of the year [As on 31-March-2016] | | | | No. of Shares held at the beginning of the year [As on 31-March-2017] | | | | % Change during the year |
|--------------------------|---|----------|--------|-------------------|---|----------|--------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 525000 | - | 525000 | 75.0 | 525000 | - | 525000 | 75.00 | 0.00 |
| b) Central Govt | | | | 0.00% | | | | 0.00 | 0.00 |
| c) State Govt(s) | | | | 0.00% | | | | 0.00 | 0.00 |
| d) Bodies Corp. | | | | 0.00% | | | | 0.00 | 0.00 |

| Category of Shareholders | No. of Shares held at the end of the year [As on 31-March-2016] | | | | No. of Shares held at the beginning of the year [As on 31-March-2017] | | | | % Change during the year |
|---|---|----------|---------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| e) Banks / FI | | | - | 0.00% | | | - | 0.00 | 0.00 |
| f) Any other | | | - | 0.00% | | | - | 0.00 | 0.00 |
| Sub Total (A) (1) | 525000 | | 525000 | 75.00% | 525000 | | 525000 | 75.00 | 0.00 |
| (2) Foreign | | | | | | | | | |
| a) NRI Individuals | | | - | 0.00 | | | - | 0.00 | 0.00 |
| b) Other Individuals | | | - | 0.00 | | | - | 0.00 | 0.00 |
| c) Bodies Corp. | | | - | - | | | - | - | 0.00 |
| d) Any other | | | - | - | | | - | 0.00 | 0.00 |
| Sub Total (A) (2) | | | - | - | | | - | - | 0.00 |
| TOTAL (A) | 525000 | | 525000 | 75.00 | 525,000 | | 5250000 | 75.00% | 0.00 |
| B. Public | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | | | - | 0.00 | | | - | 0.00 | 0.00 |
| b) Banks / FI | | | - | 0.00 | | | - | 0.00 | 0.00 |
| c) Central Govt | | | - | 0.00 | | | - | 0.00 | 0.00 |
| d) State Govt(s) | | | - | 0.00 | | | - | 0.00 | 0.00 |
| e) Venture Capital Funds | | | - | 0.00 | | | - | 0.00 | 0.00 |
| f) Insurance | | | - | 0.00 | | | - | 0.00 | 0.00 |
| g) FIs | | | - | 0.00 | | | - | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | | | - | 0.00 | | | - | 0.00 | 0.00 |
| i) Others (specify) | | | - | 0.00 | | | - | 0.00 | 0.00 |
| Sub-total (B)(1):- | | | - | 0.00 | | | - | 0.00 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 90734 | | 90734 | 12.9620 | 90723 | | 90723 | 12.9604 | -0.0016 |
| i) Indian | | | - | 0.00 | | | - | 0.00 | 0.00 |
| ii) Overseas | | | - | 0.00 | | | - | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual share holders holding nominal share capital upto Rs. 2 lakh | 40505 | 5380 | 45885 | 6.5550 | 40466 | 5,380 | 45846 | 6.5494 | -0.0056 |
| ii) Individual share holders holding nominal share capital in excess of Rs 2 lakh | 25000 | | 25000 | 3.5714 | 25000 | | 25000 | 3.5714 | 0.00 |
| c) Others (specify) | | | | | | | | | |
| Non Resident Indians | 6400 | | 6400 | 0.9143 | 6400 | | 6400 | 0.9143 | 0.00 |
| Overseas Corporate Bodies | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | 250 | | 250 | 0.0375 | 250 | | 250 | 0.0357 | 0.00 |
| HUF | 6731 | | 6731 | 0.9616 | 6781 | | 6781 | 0.9687 | -0.0071 |

| Category of Shareholders | No. of Shares held at the end of the year [As on 31-March-2016] | | | | No. of Shares held at the beginning of the year [As on 31-March-2017] | | | | % Change during the year |
|---|---|----------|--------|-------------------|---|----------|--------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| Trusts | | | | | | | | | |
| Foreign Bodies - D R | | | | | | | | | |
| Sub-total (B)(2):- | 169620 | 5380 | 175000 | 25.00 | 169620 | 5380 | 175000 | 25.00 | 0.00 |
| Total Public (B) | 694620 | 5380 | 700000 | 100.00 | 694620 | 5380 | 700000 | 100.00 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | | | | 0.00 | | | | 0.00 | 0.00 |
| Grand Total (A+B+C) | 694620 | 5380 | 700000 | 100% | 694620 | 5380 | 700000 | 100% | 0.00 |

(ii) Shareholding of Promoter

| SN | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | |
|----|-------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/encumbered to total shares |
| 1 | SUSHIL PANDURANG MANTRI | 525000 | 75.00 | - | 525000 | 75.00 | - |

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

| SN | Particulars | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year |
|----|---|------|--------|---|-------------------|---|
| | | | | No. of shares | % of total shares | No. of shares |
| 1 | At the beginning of the year Changes during the year At the end of the year | | | | | |

There has been no change in the promoters shareholding during the year.

(iv) Shareholding Pattern of top ten Shareholders

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

| SN | For each of the Top 10 shareholders | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 1 | Name : Saha Infrastructures Private Limited | | | | | | |
| | At the beginning of the year | | | 86509 | 12.3584 | 86509 | 12.3584 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| 2 | Name: Bhagchand Abirchand Mugdiya | | | | | | |
| | At the beginning of the year | | | 25000 | 3.5714 | 25000 | 3.5714 |
| | Changes during the year | | | | 0.00% | | 0.00 |
| | At the end of the year | | | 25000 | 3.5714 | 25000 | 3.5714 |

| SN | For each of the Top 10 shareholders | Date | Reason | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|----|---|------|--------|---|-------------------|---|-------------------|
| | | | | No. of shares | % of total shares | No. of shares | % of total shares |
| 3 | Name: Deepak Kumar Aggarwal | | | | | | |
| | At the beginning of the year | | | 5000 | 0.7143 | 5000 | 0.7143 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| | At the end of the year | | | 5000 | 0.7143 | 5000 | 0.7143 |
| 4 | Name: Atul M Khadlikar | | | | | | |
| | At the beginning of the year | | | 4900 | 0.7000 | 4900 | 0.7000 |
| | Changes during the year | | | | 0.00% | | 0.00 |
| | At the end of the year | | | 4900 | 0.7000 | 4900 | 0.7000 |
| 5 | Name: Tejraj Gulecha | | | | | | |
| | At the beginning of the year | | | 4617 | 0.6596 | 4617 | 0.6596 |
| | Changes during the year | | | | 0.00% | | 0.00 |
| | At the end of the year | | | 4617 | 0.6596 | 4617 | 0.6596 |
| 6 | Name: Bimal Kumar Lohia | | | | | | |
| | At the beginning of the year | | | 4567 | 0.6524 | 4567 | 0.6524 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| | At the end of the year | | | 4567 | 0.6524 | 4567 | 0.6524 |
| 7 | Name: Aika Ratan Lath | | | | | | |
| | At the beginning of the year | | | 4567 | 0.6524 | 4567 | 0.6524 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| | At the end of the year | | | 4567 | 0.6524 | 4567 | 0.6524 |
| 8 | Name: Anshul Jain | | | | | | |
| | At the beginning of the year | | | 4350 | 0.6214 | 4350 | 0.6214 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| | At the end of the year | | | 4350 | 0.6214 | 4350 | 0.6214 |
| 9 | Name: Nelliakkara Raghunath | | | | | | |
| | At the beginning of the year | | | 2000 | 0.2857 | 2000 | 0.2857 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| | At the end of the year | | | 2000 | 0.2857 | 2000 | 0.2857 |
| 10 | Name: Esquire Enclave Private Limited | | | | | | |
| | At the beginning of the year | | | 2000 | 0.2857 | 2000 | 0.2857 |
| | Changes during the year | | | | | | |
| | At the end of the year | | | 2000 | 0.2857 | 2000 | 0.2857 |
| | (v) Shareholding of Directors and Key Managerial Personnel: | | | | | | |
| 1 | Name: | | | | | | |
| | At the beginning of the year | | | - | 0.00 | - | 0.00 |
| | Changes during the year | | | | 0.00 | | 0.00 |
| | At the end of the year | | | | 0.00% | | 0.00 |

V. INDEBTEDNESS

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

(Amt. Rs)

| Particulars | Secured Loans excluding | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| * Addition | NIL | NIL | NIL | NIL |
| * Reduction | NIL | NIL | NIL | NIL |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | NIL | NIL | NIL | NIL |
| iii) Interest accrued but not due | NIL | NIL | NIL | NIL |
| Total (i+ii+iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| SN. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total (Rs) |
|-----|---|--|---|------------|
| | | Name : H.S. Girish Gupta* Designation : Managing Director | | |
| 1 | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | | | |
| | - as % of profit | - | - | - |
| | - others, specify | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total (A) | - | - | - |
| | Ceiling as per the Act | - | - | - |

* Mr. H.S. Girish Gupta is not drawing any remuneration from the Company.

B. Remuneration to other Directors

| SN. | Particulars of Remuneration | Name of Directors | | | | Total Amount (Rs) |
|-----|---|---------------------|----------------|-------------|-----------------|-------------------|
| | | Ganapathy Venkatesh | Kapil Malhotra | Aparna Goel | Dig Vijay Singh | |
| 1 | Independent Directors Fee for attending board committee meetings Commission | - | | | | |

| SN. | Particulars of Remuneration | Name of Directors | | | Total Amount (Rs) |
|--------------------------------|--|---------------------|-------------|-----------------|-------------------|
| | | Ganapathy Venkatesh | Aparna Goel | Dig Vijay Singh | |
| 2 | Others, please specify Total (1) | | | | - |
| | Other Non-Executive Directors | | | | |
| | Fee for attending board committee meetings | - | 1,40,000 | 1,40,000 | 2,80,000 |
| | Commission | | | | - |
| | Others, please specify | | | | - |
| | Total (2) - | - | - | - | - |
| | Total (B)=(1+2) | | | | |
| Total Managerial Remuneration | - | - | - | - | |
| Overall Ceiling as per the Act | - | - | - | 2,80,000 | |

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

| SN. | Particulars of Remuneration | Name of Key Managerial Personnel | | | Total Amount (Rs) |
|-----|---|----------------------------------|--|--|-------------------|
| | | Name : Moumita Sen* | | | |
| 1 | Gross salary | - | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | | | |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | | | |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | | | |
| 2 | Stock Option | | | | |
| 3 | Sweat Equity | - | | | |
| 4 | Commission as % of profit others, specify | - | | | |
| 5 | Others, please specify | - | | | |
| | Total | - | | | |

* Ms. Moumita Sen has resigned during the year and was drawing her remuneration from the flagship Company

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 | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| B. DIRECTORS | | | | | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| C. OTHER OFFICERS IN DEFAULT | | | | | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL | NIL |

For and on behalf of the board of Directors
Marathwada Refractories Limited

Place : Bangalore
Date : August 11, 2017

Sd/-
H. S Girish Gupta
Managing Director
DIN No. : 01683190

Sd/-
Ganapathy Venkatesh
Director
DIN No. : 07207056

AUDITOR'S CERTIFICATE

To
The Members of
Marathwada Refractories Limited
Bangalore.

We have examined the compliance of conditions of Corporate Governance by Marathwada Refractories Limited ("the Company") for the year ended on 31st March, 2017.

By virtue of Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the provisions of Regulation 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall apply, in respect of -

- a. the listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year;

Provided that where the provisions of the regulations specified in this regulation becomes applicable to a company at a later date, such listed entity shall comply with the requirements of those regulations within six months from the date on which the provisions became applicable to the listed entity.

- b. the listed entity which has listed its specified securities on the SME Exchange:

Since the paid up equity share capital and Net Worth of Marathwada Refractories Limited is not exceeding Rs. 10 crore and Rs. 25 crore respectively, as on the last day of the previous financial year, the Company is not mandatorily required to comply with provisions of Regulation 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

However, the Company has appointed independent directors and constituted Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee in the board meeting held on March 30, 2015 as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Certificate has been issued based on verification of:

1. Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. Representations made by the Directors and the Management
3. As per the information/details provided by the company.

This Certificate has been provided based on the records furnished to us as at current date. The data included in this report has been extracted from the information supplied to us during discussions with the management of the company and through records provided to us by them.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

Further, in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

This Certificate is issued for the purpose of Annual Report for the financial year 2016-17 and should not be used for any other purpose without the written consent from us.

For Guru & Jana
Chartered Accountants

Sd/-

Firm Registration No : 006826S
Srilakshmi P., Partner
Membership No. : 219838

Place: Bangalore
Date: 11th August, 2017

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,
The Members,
Marathwada Refractories Limited,
CIN : L26900KA1979PLC061580
41, Vittal Mallya Road,
Bangalore -560001, Karnataka, India.

I, Rafeeulla Shariff, Practicing Company Secretary have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Marathwada Refractories Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **March 31st, 2017**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2017** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **[Not Applicable as the Company had no foreign exchange transactions during the financial year under review]**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - b) 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.
 - c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **[Not Applicable as the Company has not acquired or taken over any shares or Control of other Company during the Financial year under review].**
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **[Not Applicable as the Company has not issued any further share capital during the period under review].**
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase

Scheme) Guidelines, 1999; [Not Applicable as the Company had no employees during the financial year under review].

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not Applicable as the Company has not issued and listed any debt securities during the financial year under review].
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; [Not applicable as the Company has not delisted/proposed to delist its equity shares from any Stock Exchange during the financial year under review].
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable as the Company has not bought back/proposed to buyback any of its securities during the financial year under review].

vi. I have relied on the representation made by the Company and its officers for systems & mechanism formed by the Company for compliance under other applicable Acts, laws, rules and regulations to the Company and the management has identified and confirmed the following laws as specifically applicable to the Company:

- (i) Income Tax Act, 1961
- (ii) Service Tax

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

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- ii. Pursuant to Regulation 109 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had executed a uniform listing agreement with BSE Limited and the Calcutta Stock Exchange Limited and made effect from December 1, 2015.

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

- i. *The Company does not have a website. However, as discussed with the management of the Company, the Company is in process of forming a functional website in order to comply with the applicable clause of listing agreement*
- ii. *The Company has not appointed Chief Financial officer as Key Managerial Personnel of the Company pursuant to the provisions of section 203 of the Companies Act, 2013. However, it is advised to appoint Chief Financial Officer for the Company.*

I further report that

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. 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.
- iii. All the decisions are carried through by unanimous consent and therefore dissenting members' views recording is not applicable.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

- iv. During the period under review, following are the specific events / actions having a major bearing on the company's affairs in pursuance of the aforesaid laws, rules, regulations and guidelines.:

- a) *Mr. Dig Vijay Singh has changed his designation from Director to Independent Director of the Company with effect from 29th September 2016.*
- b) *During the period, Ms. Moumita Sen, the Company Secretary and the Compliance Officer of the Company has resigned the office with effect from 6th January 2017 and Mr. H.S Girish Gupta took the chair as compliance officer with immediate effect until Ms. Juhi Sinha was appointed on 31st March 2017 as the Whole Time Secretary and Compliance Officer of the Company.*
- c) *The Company has constituted its Audit Committee and Nomination & Remuneration Committee pursuant to provisions of Section 177 & 178 of the Companies Act, 2013 and hold the meeting within time.*
- d) *The Company has also appointed M/s B S Venkatachalapathy & Co., Chartered Accountants, Bangalore as the Internal auditors of the Company and Mr. Rafeulla Shariff, Practicing Company Secretary, Bangalore as the Secretarial auditors for the financial year 2016-17 on 31st March 2017.*

Sd/-
Rafeulla Shariff
Practicing Company Secretary
ACS No. 28890
C P No.: 11103

Place: Bangalore
Date: 11th August, 2017

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
Marathwada Refractories Limited,
41, Vittal Malviya Road,
Bangalore -560001, Karnataka, India.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My examination was limited to the verification of procedures on test basis.
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.

Sd/-
Rafeulla Shariff
Practicing Company Secretary
ACS No. 28890
CP No.: 11103

Place: Bangalore
Date: 11th August, 2017.

INDEPENDENT AUDITOR'S REPORT

To
The Members, Marathwada Refractories Limited

Report on the standalone Financial Statements

1. We have audited the accompanying Standalone financial statements of Marathwada Refractories Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditor's Report) Order, 2016 ("the Order as amended,") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

6. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the Adequacy of the internal financial controls over Financial reporting of the Company and the Operating Effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations give to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 4.16 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Financial Statements contain all the requisite disclosures as to holdings as well as, dealings in Specified Bank Notes during the period November 8, 2016 to December 30, 2016 and the same are in accordance with the books of accounts maintained by the Company. Based on the Audit procedures and relying on the management representation we report that the disclosures are in accordance with the books of accounts maintained by the Company and as procured to us by the management Refer note 4.15

For Guru & Jana,
Chartered Accountants
Firm Registration No: 006826S

Sd/-
M. Surendra Reddy
Partner
Membership No: 215205

"Annexure A" to Auditor's Report

The annexure referred to in our report to the members of **M/s. Marathwada Refractories Limited** for the year ended on 31st March 2017. We report that :

- (i) According to the information and explanations given to us, the company does not hold fixed assets and immovable properties at the end of the year. Hence the provisions of Clause 3(i) (a) to (c) of the Order are not applicable.
- (ii) According to the information and explanations given by the management, the company does not have any inventory. Accordingly provisions of Clause 3(ii) of the order is not applicable.
- (iii) According to the information and explanation give by the management, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clauses 3 (iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanation given by the management, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The company has not accepted any deposits from the public. Accordingly, the provisions of Clause 3 (v) of the Order are not applicable to the Company.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the Activities carried on by the company.
- (vii) a According to information and explanations give to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
b According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax outstanding on account of any dispute.
- (viii) According to the information and explanation given by the management, the Company has not borrowed any amount from any financial institutions, banks or debenture holders during the year. Accordingly, the provisions of clause (viii) are not applicable.
- (xi) According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and terms Loans. Accordingly, the provisions of clause 3 (xi) of the order is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the company has not paid or provided for any managerial remuneration during the year. Hence, the provisions of Clause 3(xi) of the Order is not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

- (xiii) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of share or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations give by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the order are not applicable to the Company and hence not commented upon.

For Guru & Jana, Chartered Accountants
Firm Registration No: 006826S

Sd/-
M Surendra Reddy
Partner
Membership No: 215205

Place : Bangalore
Date : 24th May 2017

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MARATHWADA REFRATORIES LIMITED

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

We have audited the internal financial controls over financial reporting of M/s. Marathwada Refractories Limited as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Guru & Jana, Chartered Accountants
Firm Registration No: 006826S

Sd/-
M Surendra Reddy
Partner
Membership No: 215205

Place : Bangalore
Date : 24th May 2017

Marathwada Refractories Limited
Balance Sheet as at 31st March 2017

| | | Amount in Rs. | |
|--|-------|---------------------|---------------------|
| Particulars | Notes | 31-Mar-17 | 31-Mar-16 |
| EQUITIES AND LIABILITIES | | | |
| Shareholders' funds | | | |
| Share capital | 4.1 | 70,00,000 | 70,00,000 |
| Reserves and surplus | 4.2 | 10,28,33,092 | 10,27,43,706 |
| | | 10,98,33,092 | 10,97,43,706 |
| Current liabilities | | | |
| Other current liabilities | 4.3 | 1,70,864 | 3,56,113 |
| | | 1,70,864 | 3,56,113 |
| | | 11,00,03,956 | 11,00,99,819 |
| ASSETS | | | |
| Non-current assets | | | |
| Long-term loans and advances | 4.8 | 9,50,00,000 | 9,50,00,000 |
| Deferred Tax Asset | 4.4 | 5,494 | 6,260 |
| | | 9,50,05,494 | 9,50,06,260 |
| Current assets | | | |
| Cash and bank balances | 4.6 | 46,85,142 | 1,40,03,239 |
| Short-term loans and advances | 4.7 | 90,74,591 | 1,19,091 |
| Trade Receivable | 4.8 | 12,38,729 | 9,71,229 |
| | | 1,49,98,462 | 1,50,93,559 |
| | | 11,00,03,956 | 11,00,99,819 |
| Summary of significant accounting policies | 3 | | |

The accompanying notes are an integral part of the financial statements

For and on behalf of the board

For Guru & Jana
Chartered Accountants
Firm Reg No:006826S

Sd/-
M. Surendra Reddy
Partner
Membership No:215205

Place : Bangalore
Date : 24th May 2017

Sd/-
H. S Girish Gupta
Managing Director
DIN No. : 01683190

Sd/-
Juhi Sinha
Company Secretary
M. No. : 34961

Sd/-
Ganapathy Venkatesh
Director
DIN No. : 07207056

Marathwada Refractories Limited
Statement of Profit & Loss Account for year ended 31st March 2017

Amount in Rs.

| Particulars | Notes | 31-Mar-17 | 31-Mar-16 |
|---|-------|------------------|------------------|
| Income | | | |
| Other income | 4.9 | 11,34,107 | 12,44,085 |
| | | 11,34,107 | 12,44,085 |
| Expenses | | | |
| Other Expenses | 4.10 | 10,05,739 | 12,24,609 |
| | | 10,05,739 | 12,24,609 |
| Profit before Tax | | 1,28,368 | 19,476 |
| Tax expenses | | | |
| Current tax | | 38,216 | 5,318 |
| Deferred tax | | 766 | 699 |
| Profit/(loss) for the year | | 89,386 | 13,459 |
| Earnings per equity share | | | |
| [Nominal value of Rs. 10/- (31 March 2016: Rs. 10/-)] | | | |
| Basic | | 0.13 | 0.02 |
| Diluted | | 0.13 | 0.02 |
| Summary of significant accounting policies | 3 | | |

The accompanying notes are an integral part of the financial statements

For and on behalf of the board

For Guru & Jana
Chartered Accountants
Firm Reg No:006826S

Sd/-
H. S Glrish Gupta
Managing Director
DIN No. : 01683190

Sd/-
Ganapathy Venkatesh
Director
DIN No. : 07207056

Sd/-
M. Surendra Reddy
Partner
Membership No:215205

Sd/-
Juhi Sinha
Company Secretary
M. No. : 34961

Place : Bangalore
Date : 24th May 2017

Marathwada Refractories Limited
Cash Flow Statement for year ended 31st March 2017

| Particulars | 31-Mar-17 | 31-Mar-16 |
|--|--------------------|--------------------|
| Cash flow from operating activities | | |
| Profit / (Loss) before Tax | 1,28,368 | 19,476 |
| Profit / (Loss) before tax | 1,28,368 | 19,476 |
| Non-cash adjustment to reconcile profit before tax to net cash flows | | |
| Interest income | (3,19,490) | (8,64,085) |
| Operating profit before working capital changes | (1,91,122) | (8,44,609) |
| Movements in working capital : | | |
| Increase/(decrease) in other current liabilities | (1,85,249) | 3,36,674 |
| Increase / (decrease) in short-term provisions | - | (1,06,685) |
| Decrease / (increase) in Trade Receivables | (2,67,500) | (3,44,500) |
| Decrease / (increase) in short-term loans and advances | (89,55,500) | (27,820) |
| Cash generated from/(used in) operations | (95,99,370) | (9,86,940) |
| Direct taxes paid (net of refunds) | 38,216 | 5,318 |
| Net cash flow from/ (used in) operating activities (A) | (96,37,586) | (9,92,258) |
| Cash flows from investing activities | | |
| Interest received | 3,19,490 | 8,64,085 |
| Net cash flow from/(used in) investing activities (B) | 3,19,490 | 8,64,085 |
| Cash flows from financing activities | | |
| Net cash flow from/(used in) in financing activities (C) | - | - |
| Net increase/(decrease) in cash and cash equivalents (A + B + C) | (93,18,096) | 1,28,174 |
| Effect of exchange differences on cash & cash equivalents held in foreign currency | | |
| Cash and cash equivalents at the beginning of the year | 1,40,03,239 | 1,41,31,412 |
| Cash and cash equivalents at the end of the year | 46,85,143 | 1,40,03,239 |
| Components of cash and cash equivalents | | |
| Cash on hand | - | - |
| With banks | | |
| - on current account | 46,85,143 | 1,40,03,239 |
| Total cash and cash equivalents | 46,85,143 | 1,40,03,239 |

The above Cash Flow Statement has been prepared under the Indirect Method Setout in Accounting Standard - 3

For Guru & Jana
Chartered Accountants
Firm Reg No:006826S

Sd/-
M. Surendra Reddy
Partner
Membership No:215205

Place : Bangalore
Date : 24th May 2017

For and on behalf of the board

Sd/-
H. S Girish Gupta
Managing Director
DIN No. : 01683190

Sd/-
Ganapathy Venkatesh
Director
DIN No. : 07207056

Sd/-
Juhi Sinha
Company Secretary
M. No. : 34961

Marathwada Refractories Limited

Notes to Financial Statement for the year ended 31st March 2017

1. Company Information

Marathwada Refractories Ltd (the company) is a company engaged in the activities relating to production, manufacture or trade Refractories of all kind and bricks of all types and varieties with different properties and components.

2. Basis of Preparation of Financial Statements

The financial statements of the company have been prepared under the historical cost convention on an accrual basis in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

The Company is Non Small and Medium Sized Company (Non SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standards as applicable as such

3. Summary of significant accounting policies

3.1. Change in accounting policy

Presentation and disclosure of financial statements

Financial Statements for the year ended 31st March 2017 has been prepared and presented under Schedule III notified under the Companies Act 2013. Previous year Figures has been reclassified to be in conformity with the requirements applicable in the current year.

3.2. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosures of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

3.3. Cash and Cash equivalents

Cash flow statement has been prepared in accordance with the indirect method prescribed in Accounting Standard-3. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

3.4. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Assets are depreciated over the useful life of the assets as specified in Part C of Schedule II of Companies Act, 2013

3.5. Revenue Recognition

Interest Income is recognised on a time proportionate basis taking into account the amount outstanding and the applicable interest rates.

Dividend Income is recognised in the books when it is declared by the company in which investments are held.

Dividend Income on Mutual Fund Investments are recognised in the books when it is declared and credited to Investment value or credited in the bank account

Other incomes, if any, are recognized in the books of accounts of the company as and when the same is accrued to the company.

3.6. Investments

Current investments are stated at cost or market value whichever is lower. Long term Investments are stated at cost and provisions are made in the books for diminution in their value, other than temporary. Investments as shown in the books of accounts comprise of investment in the shares of entities under same management and control.

Cost comprises of purchase price and directly attributable acquisition charges.

Profit/ loss on sale of investments, if any, are computed with reference to the cost of the investments and provisions are made for the same in the books of account.

Marathwada Refractories Limited

Notes to Financial Statement for the year ended 31st March 2017

3.7. Retirement and other employee benefits

During the reporting period as on the reporting date the company has not recruited any employee & hence as AS-15 is not applicable.

3.8. Earning Per Share

In determining Earnings per Share the entity considers the net earnings after tax.

Basic Earnings per Share.

Basic earnings per share is computed by dividing the net profit or loss attributable to equity share holders by the weighted average number of equity shares outstanding during the period, after giving effect for events including bonus issue, share split, buy back of shares and rights issue to the share holders.

Diluted Earnings per Share

For computing diluted earnings per share, the net profit or loss attributable to equity share holders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period

3.9. Income Tax

Tax expense comprises current tax and deferred tax.

Current Tax

Income taxes are computed using the tax effect accounting method, where taxes are accrued in the same period the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

Deferred Tax

The differences that result between the profit considered for income taxes and the profit as per the financial statements are identified, and thereafter a deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another, based on the tax effect of the aggregate amount being considered. The tax effect is calculated on the accumulated timing differences at the end of an accounting period, based on prevailing enacted or substantially enacted regulations. Deferred tax assets are recognized only if there is virtual certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

Deferred Tax assets and Liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets relate to the same taxable entity and the same taxation authority

3.10. Provisions

The company has made provisions for all known liabilities and expenditures existing as on the date of balance sheet for which an outflow of resources are probable as a result of past events and for which reliable estimates can be made, as required as per the provisions of AS 29 - "Provisions, Contingent Liabilities and Contingent Assets".

Further in case of any possible obligation that may, but probably will not require an outflow of resources no provision is recognized but appropriate disclosure made as contingent liabilities unless the possibility of outflow is remote.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

3.11. Contingent Liabilities

A Contingent Liability is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognisable because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognise a contingent liability but discloses its existence in the financial statements.

Marathwada Refractories Limited
Notes forming part of Balance Sheet

| 4.1. Share capital | 31-Mar-17 | 31-Mar-16 |
|---|-------------------|-------------------|
| Authorized shares | | |
| 8,50,000 (31 March 2017 : 8,50,000) Equity Shares of Rs.10/- each. | 85,00,000 | 85,00,000 |
| 15,000 (31st March 2017:15000) 11% Redeemable Cumulative Preference shares of Rs. 100/- each. | 15,00,000 | 15,00,000 |
| | 100,00,000 | 100,00,000 |
| Issued, subscribed and fully paid-up shares | | |
| 7,00,000 (31 March 2017: 7,00,000) Equity Shares of Rs. 10/- each | 70,00,000 | 70,00,000 |
| Total issued, subscribed and fully paid-up share capital | 70,00,000 | 70,00,000 |

4.1.1. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| Equity Shares | 31-Mar-17 | | 31-Mar-16 | |
|---|-----------------|------------------|-----------------|------------------|
| | | Amount | No | Amount |
| At the beginning of the period | 7,00,000 | 70,00,000 | 7,00,000 | 70,00,000 |
| Issued during the period | - | - | - | - |
| Bought back during the period | - | - | - | - |
| Outstanding at the end of the period | 7,00,000 | 70,00,000 | 7,00,000 | 70,00,000 |

Terms/Rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year, the company has not proposed for any dividend payable to the share holders.

In the event of Liquidation, Equity Share holders are entitled to receive the assets of the company remaining after distribution of all preferential amount, in proportion to the number of shares held by them.

All Preference shares are redeemable at the end of 7th year from the date of issue. In the event of Liquidation of the company the Preference Share holders will have priority over equity share holders in the payment of dividend and repayment of capital.

4.1.2. Details of shareholders holding more than 5% shares in the company

| Particulars | 31-Mar-17 | | 31-Mar-16 | |
|------------------------------|-----------|--------|-----------|--------|
| | No | % | No | % |
| Sushil Mantri | 5,25,000 | 75.00% | 5,25,000 | 75.00% |
| Saha Infrastructures Pvt Ltd | 86,509 | 12.36% | 86,509 | 12.36% |

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

| 4.2. Reserves and surplus | 31-Mar-17 | 31-Mar-16 |
|--|------------------|------------------|
| Capital Redemption Reserve | - | - |
| Capital Reserve | 30,23,812 | 30,23,812 |
| General reserve | | |
| Balance as per the last financial statements | 30,00,000 | 20,00,000 |
| Add: Amount transferred from surplus balance in the statement of profit and loss | - | - |
| Closing Balance | 30,00,000 | 20,00,000 |

Marathwada Refractories Limited
Notes to Financial Statement for the year ended 31st March 2017

| | | | |
|--|------------------|--------------------------------|---------------------|
| Surplus/(Deficit) in the Statement of Profit and Loss | | | |
| Balance as per last financial statements | | 9,67,19,894 | 9,67,06,435 |
| Profit/(loss) for the year | | 89,386 | 13,459 |
| Less: Appropriations | | - | - |
| Net surplus in the statement of profit and loss | | 9,68,09,280 | 9,67,19,894 |
| Total Reserves And Surplus | | 10,28,33,092 | 10,27,43,706 |
| 4.3. Other Current liabilities | | 31-Mar-17 | 31-Mar-16 |
| Other Current Liabilities | | 1,53,750 | 3,22,545 |
| Statutory Liabilities Payable | | 13,561 | 33,568 |
| Otehr Payables | | 3,553 | - |
| | | 1,70,864 | 3,56,113 |
| 4.4. Deferred Tax Asset/(Liability) | | 31-Mar-17 | 31-Mar-16 |
| Deferred Tax Asset/(Liability) | | 5,494 | 6,260 |
| | | 5,494 | 6,260 |
| 4.5. Tangible assets | Computers | Furniture & Fixture | Total |
| Cost or Valuation | | | |
| At 1st April 2016 | 10,48,030 | 5,74,724 | 16,22,754 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Other Adjustments | - | - | - |
| At 31st March 2016 | 10,48,030 | 5,74,724 | 16,22,754 |
| At 1st April 2016 | 10,48,030 | 5,74,724 | 16,22,754 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Other adjustments | - | - | - |
| At 31st March 2017 | 10,48,030 | 5,74,724 | 16,22,754 |
| Depreciation | Computers | Furniture & Fixture | Total |
| At 1st March 2015 | 10,48,030 | 5,74,724 | 16,22,754 |
| Charge for the year | - | - | - |
| Disposals | - | - | - |
| At 31st March 2016 | 10,48,030 | 5,74,724 | 16,22,754 |
| At 1st April 2016 | 10,48,030 | 5,74,724 | 16,22,754 |
| Charge for the year | - | - | - |
| Disposals | - | - | - |
| At 31st March 2017 | 10,48,030 | 5,74,724 | 16,22,754 |
| Net Block | | | |
| At 31st March 2016 | - | - | - |
| At 31st March 2017 | - | - | - |

Marathwada Refractories Limited
Notes to Financial Statement for the year ended 31st March 2017

Notes froming part of Balance Sheet

| 4.6. Cash and bank balances | 31-Mar-17 | 31-Mar-16 | |
|---|--------------------|--------------------|----------------------------|
| Cash and Cash equivalents | | | |
| Balances with banks | | | |
| On current accounts | 46,85,142 | 11,03,239 | |
| Deposits with original maturity of less than three months | - | 1,29,00,000 | |
| | 46,85,142 | 1,40,03,329 | |
| 4.7 Loans and Advances | | Non Current | Current |
| | 31-Mar-17 | 31-Mar-16 | 31-Mar-17 31-Mar-16 |
| Security Deposits | | | |
| Unsecured, considered good | - | - | 30,00,000 |
| Other Loans and Advances | | | |
| Balances with Statutory/Goverenment authorities* | - | - | 86,236 1,19,091 |
| Other Advances | 9,50,00,000 | 9 50,00,000 | 59,88,355 - |
| | 9,50,00,000 | 9 50,00,000 | 90,74,591 1,19,091 |
| The Above amount is sub classified as | | | |
| Secured, considered good | | - | - |
| Unsecured, considered good | 950,00,000 | 950,00,000 | 90,74,591 1,19,091 |
| Doubtful | - | - | - |
| | 950,00,000 | 950,00,000 | 90,74,591 1,19,091 |
| 4.B. Other Current Assets | 31-Mar-17 | 31-Mar-16 | |
| Trade Receivables | | | |
| Outstanding for a period exceeding six months from the date they are due for payment. | 11,48,729 | 6,26,729 | |
| Other Receivable | 90,000 | 3,44,500 | |
| | 12,38,729 | 9,71,225 | |
| The Above amount is sub classified as | | | |
| Secured, considered good | | - | - |
| Unsecured, considered good | 12,38,729 | 9,71,229 | |
| Doubtful | - | - | |
| | 12,38,729 | 9,71,229 | |
| * The company has initiated legal proceedings on Shivang Ispat Pvt Ltd for receivables amounting to Rs. 6,26,729/-. | | | |
| However, provision for the same has not been made. | | | |
| 4.9. Other Income | 31-Mar-17 | 31-Mar-16 | |
| Interest from Others | 5,42,617 | - | |
| Interest from Bank | 3,19,490 | 8,64,085 | |
| Other Income | 2,59,200 | - | |
| Interest on IT refund | 2,000 | 3,80,000 | |
| | 11,34,107 | 12,44,085 | |

Marathwada Refractories Limited
Notes to Financial Statement for the year ended 31st March 2017

| 4.10. Other expenses | 31-Mar-17 | 31-Mar-16 |
|---------------------------------------|------------------|------------------|
| Professional Charges | 3,80,403 | 4,61,692 |
| Listing Fee | 2,49,038 | 2,48,542 |
| Payalbe to auditor (refer note below) | 1,66,375 | 1,28,000 |
| Advertisement Expenses | 1,20,177 | 2,59,746 |
| Printing & Stationary | 45,613 | 46,937 |
| Rates & Taxes | 28,824 | 66,490 |
| Other Expenses | 2,790 | 2,646 |
| Postage & Courier | 2,671 | 3,682 |
| Interest on TDs | 1,434 | 6,807 |
| Bank Charges | 414 | 68 |
| | 10,05,739 | 12,24,609 |
| Payment to auditor * | | |
| As Auditor | | |
| Statutory Audit | 40,000 | 40,000 |
| In other capacity : | | |
| For company law matters | 96,375 | 58,000 |
| For other matters | 30,000 | 30,000 |
| | 1,66,375 | 1,28,000 |
| * Exclusive of Service Tax | | |

Marathwada Refractories Limited
Notes to Financial Statement for the year ended 31st March 2017

4.11. Related Party Disclosure

Names of Related Parties and Related Party relationships

| | |
|--|---|
| Member | Sushil Mantri |
| Managing Director | H S Girish Gupta |
| Director | Ganapathy Venkatesh |
| Director | Aparna Goel |
| Director | Dig Vijay Singh |
| Company Secretary | Juhi Sinha |
| Company in which Member is interested | Plaza Agencies Private Limited Mantri Developers Private Limited 3D Megacity Private Limited Lakeview Developers Corporation Private Limited Kirthana Realtors Private Limited Mantri Homes Pvt. Ltd., Tarun Realtors Private Limited |
| Companies in which Directors are interested | 3D Megacity Private Limited Anthariksh Construction Private Limited ASL Hospitalities Private Limited Avant Garde Shelters Private Limited Bright Bridge Business Solutions Private Limited Creative Creamics Private Limited Deeta Constructions Private Limited Element Capital Private Limited Futura TEChpark Private Ltd., Gaurang Advisors Private Limited Hamara Shelters Private Limited Inesh Realtors Private Limited Indus International School (Pune) Private Ltd., Indus Scholastic and Management Services Private Ltd., Jasmine Enterprises Private Limited Lakeview Development Corporation Private Limited Mantri Abodes Private Limited Mantri Apartments Private Limited Mantri Castles Private Limited Mantri Dwellings Private Limited Mantri Geo-Structures Private Limited Mantri Habitats Private Limited Mantri Homes Private Limited Mantri Infrastructure Private Limited Mantri Primus Lifespaces Private Ltd. Mantri Property Developers Private Limited Mantri Resi Structures Private Limited Mantri Sierra Structure Private Limited Mantri Technology Constellations Private Limited Mantri Technology Parks Private Limited Mantri Techzone Private Limited Minerva Infra Tech Private Limited |

Marathwada Refractories Limited
Notes to Financial Statement for the year ended 31st March 2017

| | |
|--|---|
| | Pratibha Realtors Private Limited |
| | Propcare Holdings Private Limited |
| | Propcare Mall Management (India) Private Limited |
| | Propcare Real Estate Management Private Limited |
| | Quadra Software Solutions Private Limited |
| | Sinew Developers Private Limited |
| | Smarthomes Developers (India) Private Limited |
| | Sugam Vanijya Holdings Private Limited |
| | Suraj Inn Private Limited |
| | Tirupati Buildplaza Private Limited |
| | VanGuard Hospitality Private Limited |
| | Vassel Warehousing Private Limited |
| | Shivashakti Estates and Investments Private Limited |
| | Mantri Mansion Private Limited |
| LLP in which Directors are interested | Bright Bridge Advisors LLP |
| Associate Companies | Brahmagiri Realtors Private Limited |
| | Raffles Enterprises Private Limited |
| | Mantri Hamlet Private Limited |
| | Mantri Gardenview Homes Private Limited |
| | North Educational Academy (India) Private Limited |
| | Lanco Hills Technology Park Private Limited |
| | Suraj Dwellers Private Limited |
| | Hamara Shelters Pvt. Ltd., |
| | Mantri Cornerstone Holding Pvt. Ltd., |
| | Vismay Realtors Private Limited |
| Other Related Parties [Enterprise owned or significantly influenced by key management personnel or significantly influenced by the Company] | Classic Developers |
| | Mantri Global |
| | Mantri Homes |
| | Movva Outdoor Media |
| | Projenco Software Systems Private Limited |
| | Satko Estates |

Related Party Transactions

The table below shows the total amount of transactions that have been entered into with related parties for the relevant financial year.

Reimbursements and repayments thereof

| Mantri Developers Pvt Ltd | Loan Taken | Repayment | Interest | Balance |
|---------------------------|------------|-----------|----------|---------|
| 31-Mar-17 | 78,092 | 74,539 | | 3,553 |
| 31-Mar-16 | 80,331 | 80331 | - | - |

Sale of goods and Services

| Vismay Realtors Private Limited | Sale of Services | Sale of goods | Amount owed by related Parties* |
|---------------------------------|------------------|---------------|---------------------------------|
| 31-Mar-17 | 1,80,000 | - | 5,22,000 |
| 31-Mar-16 | 3,80,000 | - | 3,42,000 |

4.12. Capital and Other Commitments

There are no commitments of capital or other nature falling on the company as on the reporting date, no such commitments are due to be settled or which requires outflow of cash or cash equivalent.

4.13. Earnings Per share (EPS)

Basic earnings per share

| Particulars | 31-Mar-17 | 31-Mar-16 |
|--|-----------|-----------|
| Profit / (Loss) after Tax | 89,386 | 13,459 |
| Weighted Average No. of Equity Shares (Face Value of Rs. 10/- Each) | 7,00,000 | 7,00,000 |
| Earnings Per Share | 0.13 | 0.02 |

Diluted Earning per Share

| Particulars | 31-Mar-17 | 31-Mar-16 |
|--|-----------|-----------|
| Profit / (Loss) after Tax | 89,386 | 13,459 |
| Weighted Average No. of Equity Shares (Face Value of Rs. 10/- Each) | 7,00,000 | 7,00,000 |
| Earnings Per Share | 0.13 | 0.02 |

4.14. Micro, Small and Medium Enterprises

As per the information available with the Company and as certified by the management, the dues outstanding including interest as on 31st March, 2017 to Small and Micro enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 stand as below:

| Particulars | 31-Mar-17 | 31-Mar-16 |
|--|-----------|-----------|
| The principal and interest due thereon remaining unpaid to any supplier/service provider as at the end of each accounting year | | |
| Principal amount due to Micro, Small and Medium Enterprises | 63,000 | 1,03,445 |
| | 63,000 | 1,03,445 |

4.15. Reporting on disclosures in Financial Statment as to holdings as well as dealings in specified Bank Notes during the Period from November 8,2016 to December 30,2016

| | SBN's | Other Denomination Notes | Total |
|--|-------|--------------------------|---------------|
| Closing Cashin hand as on 08-11-2016 | - | 2,402 | 2,402 |
| + Permitted Receipts | - | 20,000 | 20,000 |
| - Permitted Payments | - | (6,023) | (8,023) |
| - Amount Deposited in Banks | - | - | - |
| Closing Cash in hand as on 30-12-2016 | - | 14,379 | 14,379 |

a) Specified bank Notes (for "SBM") indictes the Bank Notes with denomination of Rs. 500 and Rs. 1000 in the existing series issued by Reserve Bank of India as at November B, 2016

4.16. Pending Litigations

With respect to note 4.9, the company has filed legal proceedings on the Trade Receivables form Shivang Ispat Private Limited amounting to Rs. 6,26,729/-. However, the proceedings are in progress and the outcome of the case is still awaited.

4.17. Contingent Liabilities

There are no possible obligation on the company as on the reporting date, that may probably require an outflow of resources from the company and as such no disclosure is required for any Contingent Liability.

4.18. Previous Year Figures

Previous year Figures have been regrouped, rearranged and recast wherever necessary to make them comparable to the respective figures in the Current year.

For and on behalf of the board

For Guru & Jana
Chartered Accountants
Firm Reg No:006826S

Sd/-
M. Surendra Reddy
Partner
Membership No:215205

Sd/-
H. S Girish Gupta
Managing Director
DIN No. : 01683190

Sd/-
Juhi Sinha
Company Secretary
M. No. : A34470

Sd/-
Ganapathy Venkatesh
Director
DIN No. : 07207056

Statement of Commitation of Income Tax

| | |
|-----------------------|--|
| Name of the Assesses | Marathwada REfractories Limitd |
| Assessment Year | 2017 - 2018 |
| Previous Year Ending | 31st March 2017 |
| Permanent Account No. | AAACM505BR |
| Status | Domestic Company |
| Registered Office | # 41, Vittal Mallya Road, Bangalore - 560 001. |

Statement of Total Income

| | | | |
|--|----------|--|-----------------|
| Profits & Gains from Business | | | |
| Net Profit / (Less) as per Profile & Loss Account | | | 1,20,358 |
| Add (Expenses considered Separate / disallowed | | | |
| Depreciation as per companies Act | | | |
| IT Refund writtenuf | | | |
| Interest Payable to MSMED Creditors | | | |
| Interest Payable un delay in remittance of TDS | 1,434 | | 1,434 |
| Less : Expenditure allowed / Income considered Separately | | | |
| Intest on Fixed Deposits | 3,19,490 | | |
| Interest from Others | 5,42,617 | | |
| Other Income | 2,69,200 | | |
| Interest as IT Refund | | | |
| Depreciation as per Income Tax Act | 1,863 | | |
| | | | 11,33,179 |
| Income from Business or Professions | | | 10,03,368 |
| Income form Other Sources | | | |
| Interest Income | 3,19,490 | | |
| Interest form Others | 5,42,617 | | |
| Other Income | 2,69,200 | | |
| Less : Interest Expenses | | | 11,31,307 |
| Income form Other sources | | | 11,31,307 |
| Gross Total Income | | | 4,27,939 |
| Less Deduction under Chapter VI-A | | | |
| Net Taxable Income | | | 1,27,940 |
| Computation of Tax Liability | | | |
| Taxable Income | | | |
| - At Normal Roate | 1,27,940 | | |
| - At Special Rate | | | 1,27,940 |

Statement of Computation Tax

Tax Payable

Under Normal Provisions

- Normal Rate at 29%

- Surcharge at 7 %

- Education Cess at 3 %

Under Minimum Alternative Tax (MAT)

Less : MAT Credit Set off to the extend of the Liability

Less 1) Tax deducted at Source

2) Advance Tax Paid

Balance Tax Payable / (Refund)

Add : 1) Interest u/s 234B

2) Interest u/s 234c

Tax Payable

3) Self Assesment Tax Paid u/s 140A

Balance Tax Payable / (Refundable)

| | | |
|--|--------|----------|
| | | |
| | 37,103 | |
| | 1,113 | 38,216 |
| | | 34,461 |
| | | 38,226 |
| | | 1,16,211 |
| | | - |
| | | (77,995) |
| | | - |
| | | (77,995) |
| | | (77,995) |

**FORM NO. MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

| | | |
|------------------------|---|---|
| CIN | : | L26900KA1979PLC061580 |
| Name of the Company | : | Marathwada Refractories Limited |
| Registered Office | : | No. 41, Vittal Mallya Road, Bangalore - 560001, Karnataka |
| Name of the member (s) | : | |
| Registered Address | : | |
| E-mail id | : | |
| Folio No. | : | |

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

1. Name :
Address :
E-mail id :
Signature : , or failing him
2. Name :
Address :
E-mail id :
Signature : , or failing him
3. Name :
Address :
E-mail id :
Signature : , or failing him

as my/our Proxy to attend and vote (on a poll) for me/us and my/our behalf at the 38th Annual General Meeting of the Company to be held on the ~~Friday~~ day the 29th day of September, 2017 at 11.00 A.M. at No. 41, Vittal Mallya Road, Bangalore - 560001, Karnataka and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2017, together with the Board's and Auditor's Reports thereon.
2. To appoint a Director in place of Mr. Ganapathy venkatesh (DIN : 07207056), who retires by rotation and being eligible has offered himself for reappointment.
3. To ratify the appointment of auditor of the Company.

Signed thisday of, 2017.

Signature of shareholder :

Signature of Proxy holder (s) :

Affix
Revenue
Stamp
Rs. 1/-

Note: The Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at No. 41, Vittal Mallya Road, Bangalore - 560001, Karnataka not less than 48 hours before the commencement of the Meeting.

Marathwada Refractories Limited
(CIN: L26980KA1979PLC061580)
Registered Office: # 41, Vittal Mallya Road, Bangalore - 560001

ATTENDANCE SLIP

| | |
|--------------------------------------|--|
| Registered Folio / DP ID & Client ID | |
| Name and address of the Shareholder | |

1. I hereby record my presence at the 38th Annual General Meeting of the Company held on *Friday*, the 29th day of September, 2017 at 11:00 PM at The # 41, Vittal Mallya Road, Bangalore-01
2. Signature of the Shareholder / Proxy present
3. Shareholder / Proxy Holder wishing to attend the meeting must bring the duly signed Attendance Slip to the meeting.
4. Shareholder/Proxy Holder attending the meeting is requested to bring his / her copy of the Annual Report.

**PLEASE CUT HERE AND BRING THE ABOVE
ATTENDANCE SLIP TO THE MEETING**



ELECTRONIC VOTING PARTICULARS

| E-Voting Event Number [EVEN] | USER ID | PASSWORD |
|------------------------------|---------|----------|
| | | |

Note: Please read the instructions given in the Notes to the Notice of 38th Annual General Meeting dated September 24, 2017. The E-Voting period starts on September 26, 2017 [9:00 AM] and ends on September 28, 2017 [5:00 PM]. The e-voting module shall be disabled by CDSL for voting thereafter.

Notes :

Book Post

If undelivered, Please return to :
MARATHWADA REFRACTORIES LIMITED
41, Vittal Mallya Road,
Bangalore - 560 001.