



Annual Report 2022-23

Disclaimer/forward-looking statement

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

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



*Annual
Report
2022-23*



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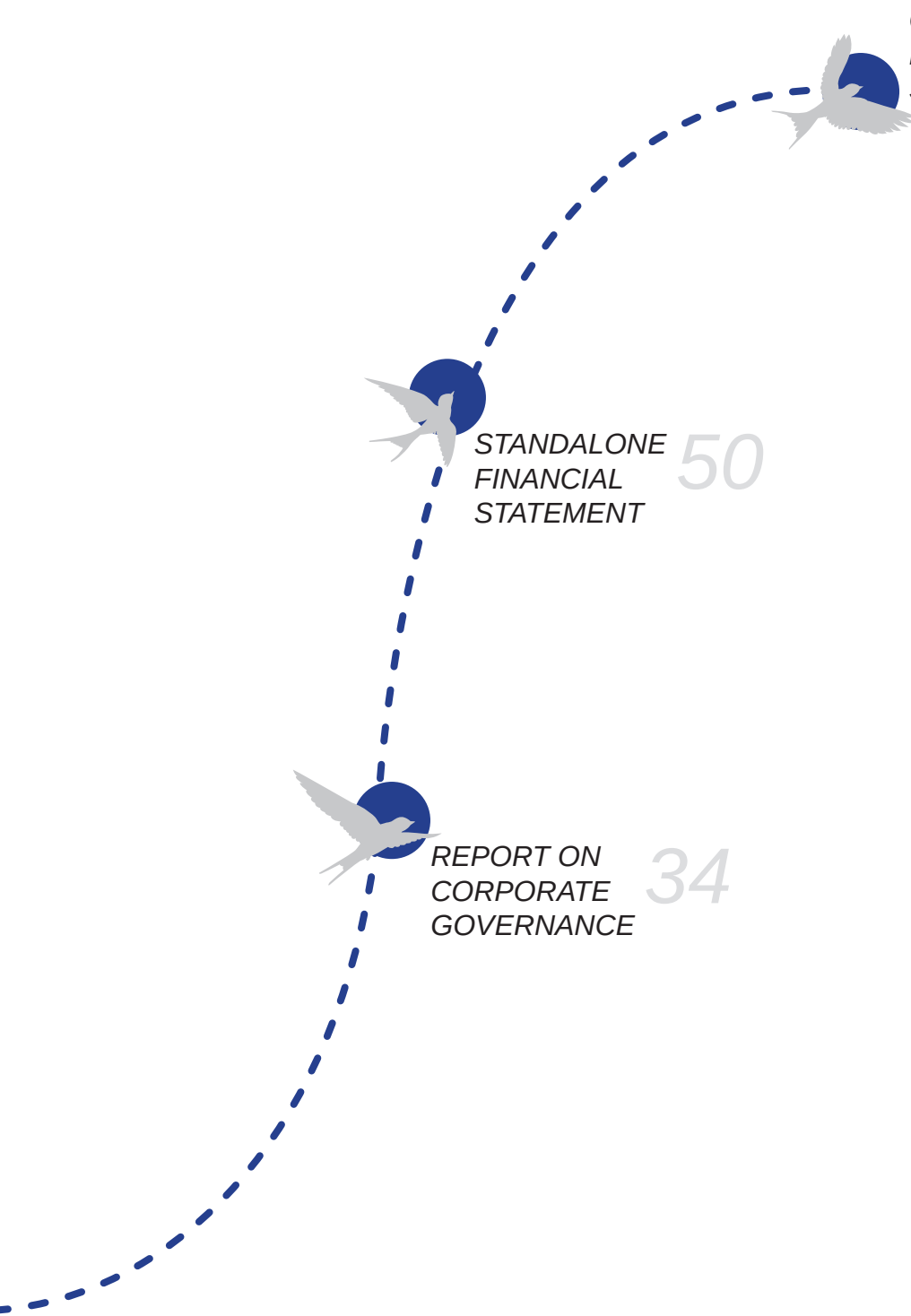
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From the CEO's Desk



Dear Shareholder,

FY 2022-23 ended on a very special note for Your Company, marked by an unprecedented event and a milestone that looks like the start of something new and exciting.

Your Company Dalmia Bharat Refractories Ltd (DBRL) successfully completed the sale of its India refractory business, and also its subsidiary based in Germany, to the world's, and India's, largest refractory company i.e. RHI Magnesita (RHIM). As a result of this deal, executed under the able captainship of Mr Sameer Nagpal, Non- Executive Director (ex-MD & CEO), Your Company now owns equity shares in RHIM's India business, which controls nearly 27% of the lucrative Indian refractory market. The deal, details of which you will find in the MDA section, has allowed Your Company to close FY 2022-23 with great financial strength and confidence.

I must take this opportunity to applaud the efforts of Your Company's talent pool, which worked extremely hard last few years in making the Indian refractory business of Your Company so attractive to suitors, that it received a record valuation of 27x in a year that saw the global economy sputtering for a variety of factors.

Way Forward

On the back of its recent accomplishment, Your Company is exploring new opportunities by diligently evaluating emerging cases in India where there's scope for it to repeat its refractory-like success in India, to maximise shareholder value in the coming years. In addition, Your Company will continue to build value in its existing refractory businesses, both in India and China, by addressing the special application needs of its customers across the world.

Net net, 2023-24 promises to be a pivotal year for Your Company, taking us into newer waters and exciting new ventures. I look forward to your continued support as we move forward to realise new dreams and new ambitions. And thank you, for your best wishes and continued encouragement.

Sincerely,

C N Maheshwari
CEO

COMPANY OVERVIEW

Until not long ago, Dalmia Bharat Refractories Ltd (DBRL) was a leading supplier of a wide range of high-performance refractories to customers located in different parts of the world. In FY 2022-23 however, DBRL underwent a major transition: it entered into an agreement with RHI Magnesita (RHIM), the world's No. 1 refractory business, wherein it transferred its entire India business to them, against ownership of equity shares in RHIM India. Consequently, DBRL has decided to explore new business horizons with the objective of writing a new future for itself. Having amended its object clause to reflect this new focus, DBRL has invested its financial gains in start-ups, and has announced making investments in Dalmia Bharat Limited and HippoStores Technology Private Ltd, to maximize shareholders return through the growth of these companies.

Corporate Information

Dalmia Bharat Refractories Limited

CIN: L26100TN2006PLC061254

Website: www.dalmiaoel.com

Regd. Office: Dalmiapuram, Tamil Nadu 621651

Head Office: 4, Scindia House, Connaught Place, New Delhi- 110001

Board of Directors

Mr. Chandra Narain Maheshwari - Whole Time Director & CEO

Mr. Deepak Ambadas Thombre

Mr. Sameer Nagpal

Mr. Raj Kamal Saraogi

Ms. Rachna Gorla

Key Managerial Personnel

Mr. Rahul Sahni, Chief Financial Officer

Ms. Meghna Saini, Company Secretary

Bankers

Axis Bank

IndusInd Bank

Registrar & Share Transfer Agent

KFin Technologies Limited (Formerly known as KFin Technologies Private Limited)

Selenium Tower B, Plot No. 31-32 Financial District, Nanakramguda Hyderabad- 500032

Statutory Auditors

M/s Chaturvedi & Shah LLP Chartered Accountants

MANAGEMENT DISCUSSION & ANALYSIS

Highlights 2022-23

FY 2022-23 proved to be a dynamic year for Your Company, replete with noteworthy accomplishments, formidable challenges, and exciting prospects.

To recapitulate, the consolidation of Your Company's refractory business into Dalmia Bharat Refractories Ltd ("DBRL"), a single entity, was approved by the National Company Law Tribunal, Chennai Bench, on February 3, 2022. Right at the beginning of FY 2022-23, we had prioritised integration and consolidation of our refractory operations. Additionally, we actively pursued advancements in technology through the implementation of innovative solutions and strategic collaborations. These well-executed initiatives not only propelled the growth of DBRL, but also garnered attention and interest from potential partners including RHI Magnesita India Limited ("RHIM").

Following a series of tough negotiations, DBRL successfully implemented a pivotal corporate strategy by entering into a definitive agreement with RHIM on November 19, 2022. Pursuant to this agreement, DBRL transferred its entire India business to RHIM in the manner outlined below:

a. As a first step by transferring of entire India business to Dalmia OCL Limited, the then wholly owned subsidiary of DBRL, on aggregate consideration of INR 2,213

crores to be disbursed partially in cash (approx. INR 505 crores, subject to the adjustments as per business transfer agreement) and remaining in equity shares (8.24 crores shares worth approx. INR 1,708 crores); and

b. Transferring the entire shareholding in Dalmia OCL Limited to RHIM, through a share swap agreement, against 2.7 crore equity shares of RHIM, as a second step.

The aforesaid transaction with RHIM which was consummated on January 05, 2023, is considered as one of the biggest transactions in India in FY 2022-23 in terms of valuation, with key highlights being:

- a. The transaction represents a strategic collaboration between DBRL's robust manufacturing infrastructure and RHIM's cutting-edge manufacturing technology, thereby bolstering India's refractory industry;
- b. The transaction was structured through a slump sale followed by a share swap arrangement, aimed at maximising the valuation benefit. The consideration received by DBRL for this transaction, as mentioned earlier, amounts to approximately 27 times DBRL's EBIDTA, significantly surpassing the standard market considerations.
- c. By means of the share swap arrangement, DBRL has become a shareholder of RHIM, holding a 13.47% stake in RHIM's shareholding. This strategic investment posi-

tions DBRL to reap the benefits of potential value appreciation within RHIM.

The management of DBRL acknowledges that the substantial consideration received in this transaction is a direct result of the unwavering efforts made by the company's management and employees. We extend our heartfelt gratitude to the shareholders of DBRL for their continuous trust and support throughout this journey. It is through the collective dedication and collaboration of all stakeholders that we achieved a remarkable outcome.

Path Ahead

With a view to emulate its achievements and after the successful divestment from the refractory business, now the management of Your Company has expanded its focus to explore new industries and sectors. Our dedicated team of professionals has engaged in comprehensive research and analysis to identify potential opportunities that are aligned with our core values and wherein we can make the optimum use of resources available with us to strategically capitalize on the identified opportunities, leverage our strengths, and drive sustainable growth and success in new business ventures.

To formalise the path for future, Your Company has expanded the horizon of its object clause by amending it in April 2023. Your Company has made investments in start-ups and also announced the investment in Dalmia Bharat Limited and Hippostores Technology Private Limited, to gain maximum benefits from the increase in value of these companies. By aligning ourselves with industry leaders, start-ups and niche players, we will also gain access to valuable expertise, resources and networks that fuel our growth ambitions. These partnerships will enable us to leverage synergies to enter new markets with confidence, and to co-create innovative solutions that address the evolving needs of our customers.

We hope that this strategic step shall not only expand our revenue streams but also position us for sustainable growth and resilience in the long term.

Economic Outlook

Global Economy

Just as the world appeared to be recovering from the effects of a global and disruptive pandemic, it is faced again with economic and political instability due to the Russia-Ukraine war during FY 2022-23. Recent recession in the IT industry and subsequent layoffs are good indicators of an unfavourable global business environment. The April 2023 edition of the World Economic Outlook by the International Monetary Fund (IMF) forecasts a decline in growth rates from 3.4 percent in 2022 to 2.8% in 2023, followed by a stabilisation at 3.0% in 2024. The slowdown in growth is anticipated to be particularly prominent in advanced economies, with an expected decrease from 2.7% in 2022 to 1.3% in 2023. In an alternative scenario

involving additional strain on the financial sector, global growth would decrease to approximately 2.5% in 2023, with growth in advanced economies falling below 1%.

Indian Economy

As per the World Bank, India's growth continues to be resilient and continues to recover despite facing challenges such as rising inflation and supply shocks resulting from external events. India's growth for 2022-23 is pegged at 7%, against 9.1% reported in 2021-22. India's economy is expected to grow by 6.7 per cent in the calendar year 2024, supported by resilient domestic demand, according to a UN report which said higher interest rates and weaker external demand will continue to weigh on investment and exports this year for the country.

As per the World Economic Situation and Prospects as of mid-2023 released India's economy which is the largest in the South Asian region, is expected to expand by 5.8 per cent in 2023 and 6.7 per cent in 2024 (calendar year basis), supported by resilient domestic demand.

Industry Structure and Developments

DBRL has divested from its core business of refractory and is not actively looking for new opportunities to drive growth and maximise shareholder's value.

DBRL is also targeting investments in along with others, cement industry, construction material industry and start-ups and in line with that has recently announced the investment in Dalmia Bharat Limited and HippoStores Technology Private Limited. In this report we shall be discussing about the industries in which DBRL now has investments or has announced investments.

Cement industry

The cement industry, a vital component of the construction sector, continues to experience steady growth. Increasing urbanisation, infrastructure development, and housing projects drive the demand for cement, making it an attractive opportunity for us. India Ratings & Research forecasts that cement demand will grow by up to 9% in the 2024 financial year that started in April 2023, due to continued government infrastructure spending. Despite mounting inflation and a large number of capital expenditure projects in progress, it expects cement company profits to recover due to slowing increases in energy costs, according to the Press Trust of India. The current prediction for the 2024 financial year follows a growth estimate of 9% in the 2023 financial year. We intend to leverage our expertise and resources to invest strategically in this industry, capturing market share and capitalising on the growing demand.

Construction Material Industry

The construction material industry is witnessing significant advancements and innovation. With a focus on sustainable and environmentally friendly solutions, the sector

presents avenues for growth. The retail construction material industry in India has experienced a notable growth rate in recent years. The sector encompasses various products, including cement, steel, tiles, sanitary ware, paints, electrical fittings, and more, catering to the needs of both residential and commercial construction projects. One of the key drivers of growth in the retail construction material industry is the rapid urbanisation and increasing disposable incomes of the Indian population. As more individuals migrate to urban areas and seek improved housing and infrastructure, the demand for construction materials has surged. The growth of the real estate sector, the development of smart cities, and the government's focus on affordable housing schemes have further bolstered the industry's growth rate. Our investment in this industry will allow us to offer a comprehensive range of construction materials, catering to evolving customer needs and industry trends.

Start-ups

The growth rate of start-ups in India has been rapid and significant, positioning the country as a thriving entrepreneurial ecosystem. Factors such as a talented workforce, digital technology advancements, government support, investor interest, and a large market size have fuelled this growth. Start-ups are leveraging innovation and technology to disrupt traditional industries and tap into diverse consumer needs. The growth rate of start-ups in India is expected to continue with an upward trajectory, contributing to economic growth and technological advancement. By fostering partnerships with promising start-ups, we can stay at the forefront of innovation, drive digital transformation, and explore new avenues for growth.

Opportunities/Risks & Concerns/Threats

Opportunities

DBRL is now poised to capitalise on new opportunities that lie ahead with available resources. With a refreshed outlook, Your Company is actively exploring various avenues to drive growth and expand its market presence. One of the promising opportunities on the horizon is the growing demand for sustainable and environmentally friendly solutions. As the global focus on sustainability intensifies, Your Company aims to leverage its expertise and technological capabilities to develop innovative products and services that align with this trend. Furthermore, the rapid digital transformation taking place across industries presents an exciting opportunity for Your Company to integrate advanced technologies into its operations. By embracing automation, data analytics, and artificial intelligence, we can enhance efficiency, streamline processes, and unlock new levels of productivity. Additionally, expanding into new geographical regions offers significant potential for growth. Your Company will strategically evaluate untapped markets, assess local demands, and establish partnerships to establish a strong presence and cater to the unique needs of each region. Collaborating with like-minded companies and exploring strategic alliances can also open doors to new opportunities, enabling

Your Company to leverage complementary strengths and expand its offerings. Lastly, the evolving customer preferences and emerging industry trends present avenues for diversification. By staying attuned to market dynamics, we can identify emerging niches, adapt our product portfolio, and provide tailored solutions to meet evolving customer demands. Through a combination of innovation, strategic partnerships, market expansion, and diversification, we are well-positioned to seize these new opportunities and drive sustained growth for DBRL.

Risks and concerns

As DBRL is now eagerly pursuing new opportunities to drive growth and expand its horizons, it is crucial to recognise and address the potential risks and concerns that may arise. One of the primary risks Your Company faces is market volatility. Fluctuating market conditions, such as changes in demand, pricing pressures, or economic uncertainties, can significantly impact our business performance. Additionally, competitive forces remain a constant challenge. The industry landscape is dynamic, with new entrants and existing competitors vying for market share. It is essential for Your Company to continuously innovate, differentiate its offerings, and maintain strong customer relationships to stay ahead. Moreover, regulatory and compliance-related risks must be carefully managed. Adherence to changing laws, regulations, and industry standards is essential to avoid penalties, reputational damage, or legal complications. Furthermore, technological advancements and digital disruptions can pose both opportunities and risks. Your Company must adapt to emerging technologies, embrace digital transformation, and ensure its infrastructure and systems are robust enough to withstand potential cybersecurity threats. Finally, talent acquisition and retention are critical concerns. Attracting skilled professionals, retaining top talent, and nurturing a culture of innovation and continuous learning are essential for our long-term success. By proactively identifying, assessing, and mitigating these risks and concerns, Your Company can position itself for strong sustainable growth and seize opportunities that lie ahead.

Threats

While Your Company is optimistic about the future, it is essential to acknowledge the potential threats that may impact its journey. As we venture into uncharted territory, competition remains a significant concern. The market landscape is dynamic and evolving, with new entrants and existing players vying for market share. Adapting to changing customer preferences and staying ahead of competitors' innovations will be critical to maintain our competitive edge.

DBRL's performance overview

Operational & Financial Performance

Considering the impact of transfer of business undertak-

ing to RHIM, Your Company's revenue has increased by 12.92% from Rs 90.94 Cr in FY 2021-22 to Rs 102.69 Cr in FY 2022-23, from continuing operations on standalone basis. On consolidated basis, revenue from continuing operations has increased by 19.08% from Rs 301.21 Cr in FY 2021-22 to Rs 358.77 Cr in FY 2022-23. The profit before tax was Rs 1,727.20 Cr on standalone basis (including the profit from the transaction with RHIM) and Rs 1,749.45 Cr on consolidated basis (including the profit from the transaction with RHIM). FY 2022-23 performance is marked by highest-ever profit so far. The growth is driven largely by key capacity-enhancement initiatives in the spirit of an 'Atmanirbhar Bharat', directly reducing import requirements of our India-based customer industries.

Financial Ratios on standalone basis

Financial Year	Debtor Turn-over Ratio	Inventory Turnover Ratio	Current Ratio	Interest Coverage Ratio	Op. Profit Margin	Net Profit Margin	Return on Net Worth	Debt Equity Ratio
2022-23	0.12	0.12	1.30	0.87	0.93	1410.02	0.60	-
2021-22	1.02	0.85	1.62	247.15	0.63	1.20	0.014	0.05

1. All the ratios of the Company have materially changed primarily due to transfer of Company's entire Indian Refractory Business in scheme of slump sale.
2. For the financial year ended March 31, 2023, all the ratios have been calculated on continuing business.

Region & Segment Wise Performance

During FY 2022-23, DBRL was primarily in the business of refractory manufacturing and selling. However, w.e.f. January 05, 2023, the Company has transferred its Indian refractory business to RHI and subsequently the Company is only engaged in trading activity of refractories. Hence, the business of trading of refractories constitutes single business segment. The Company has identified and reported geographical as primary segment considering the different risks and returns, its organisation structure and the internal reporting system.

Your Company's business is organised into two main segments based on geographies:

Domestic; and
International

The total revenue of INR 358.67 Cr can be bifurcated as (i) INR 96.48 Cr from domestic; and (ii) INR 262.19 Cr from international.

Business Outlook

With the successful transfer of refractory business to RHIM, and in line with our commitment to write a new future, Your Company has embarked on exploring new business opportunities. To facilitate this, we have amended our object clause, widening our business horizon and enabling us to seize potential growth prospects. Additionally,

we have announced investments in Dalmia Bharat Limited and HippoStores Technology Private Limited. These strategic investments align with our goal of generating returns through the growth of these companies.

Your Company remains committed to leveraging its technology and manufacturing capabilities to drive growth and create value. We will continue expanding our reach in international markets, pursuing innovative technologies, and investing in the enhancement of local high-quality refractory production. These initiatives will enable us to meet our growth targets and stay at the forefront of the industry.

In pursuit of our growth objectives, Your Company will actively pursue mergers and acquisitions. By evaluating

potential opportunities in the market, we aim to further strengthen our position and maximize value for our stakeholders.

Internal Controls & Their Adequacy

Your Company has adequate internal financial controls commensurate with the size and nature of its business which are reviewed periodically. The internal auditors of your company conduct regular audits as per a pre-approved plan and the Audit Committee periodically reviews the adequacy and effectiveness of internal control systems and takes steps for corrective measures whenever required.

The internal control systems are structured in a way to empower corporate governance of our organisation. Your Company believes in transparency, timely compliance and disclosures and integrity of utmost level, aligned completely with values of the Dalmia Bharat Group.

Your Company is a law-abiding business and respects the statutes notified by Government of India from time to time, and always makes sure that it takes all necessary steps to be fully complied.

Human Resources

Human Resources have been the backbone and asset of Your Company for not only building a helpful environment for smooth business operations throughout the period characterised by unforeseen disruptions, but also by ensuring safety measures are in place at the workplace.

The leadership of Your Company had set themselves on a journey to 'Writing a New Future' for the organisation through a series of conversations and capability developmental interventions. Employees of Your Company stayed

committed to transforming the business and their skilling continued to be our top priority.

Your company also strengthened the human resources of your organisation by hiring critical skills that will aid sustainable business growth and future readiness.

The leadership of Your Company strongly believes that its people are of utmost importance. The leadership team remained focused on the health and wellbeing of all its employees. Your Company continues to organise vaccination camps and check-up drives at its units for employees and their families.

Your Company displayed business related HR sensitivity to build and maintain a harmonious work environment for smooth business operations throughout the last performance year. With the transfer of Indian refractory business to RHIM, the major workforce of DBRL has been transferred to RHIM. As on March 31, 2023 your company employs a diverse workforce of 47 people, however, Your Company is working on re-building its team in line with its new business objectives.



DIRECTORS' REPORT

Dear Members,

Your directors have great pleasure in presenting the 17th Annual Report of Dalmia Bharat Refractories Limited (“Company”), together with the audited financial statements of the Company for the financial year ended March 31, 2023 (“Year Under Review”) and the highlights of the performance of subsidiaries and joint venture companies along with their contribution to the overall performance of the Company for the Year Under Review.

Financial Results:

The highlights of the standalone and consolidated financial performance of the Company are as under:

INR. in Cr except per share data

Particulars	Standalone		Consolidated	
	FY 2022-23	FY 2021-22*	FY 2022-23	FY 2021-22*
Revenue from continuing operations	93.53	89.64	345.75	300.41
Profit before finance costs, depreciation, exceptional items and tax	0.12	16.95	38.19	47.44
Less: Interest and Financial Charges	8.95	0.07	12.81	3.94
Profit before Depreciation and Tax	(8.81)	16.87	25.40	43.50
Less: Depreciation, amortisation and impairment	27.33	0.40	35.81	8.88
Profit before exceptional items and tax expense	(36.14)	16.47	(10.41)	34.62
Less: Exceptional items	1,763.35	-	1,759.87	-
Profit before tax from continuing operations	1,727.20	16.47	1,749.45	34.62
Provision for current tax	423.60	3.59	429.54	12.58
Provision for deferred tax	(15.14)	-	(15.09)	(0.08)

Particulars	Standalone		Consolidated	
Profit after tax before share of profit in associate	1,318.74	12.87	1,335.00	22.12
Share of profit/(loss) in associate	-	-	-	-
Net Profit for the year from continuing operations	1,318.74	12.87	1,335.00	22.12
Net profit/(loss) for the year from discontinued operation	(31.92)	(1.50)	(28.41)	0.72
Less: Share of minority interest	-	-	1.96	1.43
Profit/(loss) After Tax	1,286.82	11.37	1,304.64	21.41
Paid-up Equity Share Capital	44.20	44.20	44.20	44.20
Other Equity	2,155.12	847.10	2,231.81	894.59
Earnings Per Share (EPS)	291.14	2.58	295.16	4.84

*Restated owing to transfer of refractory business during the year ended March 31, 2023.

Business transfer agreement & share swap agreement

In line with the management's strategic steps towards business restructuring and the changing economic scenario and future prospects in favor of the business activities of the Company, your Company had entered into a business transfer agreement with Dalmia OCL Limited, its wholly owned subsidiary on November 19, 2022 for the sale of its entire Indian refractory business consisting of its manufacturing facilities at (i) Rajgangpur, Orissa ; (ii) Dalmiapuram, Tamil Nadu ; (iii) Khambalia, Gujarat ; (iv) Bhilai, Chhattisgarh ; and (v) its' entire investment in subsidiary namely Dalmia Seven Refractories Limited , on a going concern basis. Post completion of all conditions as stated in the business transfer agreement, the transfer was completed on January 04, 2023.

Subsequently, your Company also transferred the whole of its investment in the equity shares of Dalmia OCL Limited to RHI Magnesita India Limited ("RHIM") vide a share swap agreement executed on November 19, 2022. Post the completion of all subsequent conditions, the Company's investment in Dalmia OCL Limited has been transferred to RHI on January 05, 2023.

State of the company's affairs

During the Year Under Review, the business of the Company was in line with its memorandum of association such as to provide end-to-end refractory materials, solutions, and services to customers in more than 40 countries in core industries such as iron & steel, cement, glass, nonferrous metals, energy and petrochemicals.

However, w.e.f. January 05, 2023, the Company has transferred its entire Indian refractory business to RHIM. The Company is evaluating and exploring various business opportunities available, in order to write a new future. Keeping this in view, your Company has amended the object clause of memorandum of association on April 20, 2023 with the due consent of the shareholders.

Considering the transaction with RHIM, on standalone

basis, during the FY 2022-23, the total revenue from continuing operations stood at INR 102.69 Crore as compared to INR 90.94 Crore in the last FY 2021-22, registering a growth of 12.92%. The profit before tax from the continuing operations (including the profit from RHIM transaction) stood at INR 1727.20 Crore as compared to INR 16.47 Crore in previous year. Similarly, the net profit after tax of the Company is INR 1318.74 Crore as compared to INR 12.87 Crore in previous year from continuing operations.

Considering the transaction with RHIM, on consolidated basis, during the FY 2022-23, the total revenue from continuing operations stood at INR 358.67 Crore as compared to INR 301.20 crore in the last FY 2021-22, registering a growth of 19.08 %. The profit before tax from the continuing operations (including the profit from RHIM transaction) stood at INR 1749.45 crore as compared to the INR 34.62 Crore in previous year. Similarly, the Net profit after tax of the Company is INR 1,335 Crore as compared to INR 22.12 crore in previous year.

With the objective of writing a new future, the Company will remain committed to its stakeholders and make all endeavours to accelerate the value of the stakeholders. By leveraging its expertise and manufacturing capabilities reach in international markets, persuasion of innovative technologies, investment in best business opportunities available in the market and shall actively continue to pursue investment and acquisitions opportunities, available both inside and outside of India.

Management Discussion and Analysis Report

The management discussion and analysis of financial performance and results of operations of the Company in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is provided in a separate section and forms an integral part of this annual report. It inter-alia gives detail of the overall industry structure, economic developments, performance and state of affairs of your Company's business, risk management systems and material developments during the Year Under Review.

Dividend

Your directors are pleased to recommend a dividend of 15% i.e. INR 1.50/- per equity share of face value of INR 10/- each for the financial year 2022-23, based on the prevailing financial and non-financial factors of the Company and shall be payable to those members whose names appear in the register of members as on the book

S. No.	Name of the Subsidiary	Status	Percentage of Holding
1.	Dalmia GSB Refractories GmbH	Wholly Owned Subsidiary	100%
2.	OCL Global Limited	Wholly Owned Subsidiary	100%
3.	Dalmia Mining and Services Private Limited	Wholly Owned Subsidiary	100%
4.	OCL China Limited	Step Down Subsidiary through OCL Global Ltd.	90%

closure / record date. The dividend payout is subject to approval of the members at the ensuing annual general meeting of the Company for Year Under Review.

The register of members and share transfer books will remain closed from July 28, 2023 to July 31, 2023 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended March 31, 2023.

Transfer To Reserves

The Company proposes to retain its entire earnings in the profit and loss account and proposes not to transfer any amount to the general reserve.

For details with regard to transfer to other reserves, please refer Note. 11.2 of the financial statements for the year under review.

Share Capital Structure

During the year under review, there was no change in the capital structure of the Company. The capital structure of the Company as on March 31, 2023, is given below:

Authorized Share Capital	INR 50,00,00,000 constituting of 5,00,00,000 equity shares of INR 10/- each.
Issued, Subscribed and Paid-up Share Capital	INR 442,001,070 constituting of 4,42,00,107 equity shares of INR 10/- each.

Subsidiaries, Associates & Joint Venture Companies

During the Year Under Review, Dalmia Seven Refractories Limited and Dalmia OCL Limited, ceased to be the subsidiaries of the Company with effect from January 05, 2023, pursuant to the business transfer agreement and share swap agreement entered between the Company and RHI Magnesita India Limited dated November 19, 2022.

During the year under review, the Company acquired 100% of the issued share capital of Dalmia Mining and Services Private Limited and pursuant to such acquisition

Dalmia Mining and Services Private Limited became the wholly owned subsidiary of the Company with effect from March 10, 2023.

Accordingly, as on March 31, 2023, the Company has four subsidiaries including three wholly owned subsidiaries and one step down subsidiary. The details of the subsidiaries are:

Dalmia GSB Refractories GmbH, wholly owned subsidiary of the Company situated in Germany respectively, to be considered as the material unlisted subsidiaries of the Company in terms of the applicable SEBI Listing Regulations as amended from time to time, and Company's Policy for determining material subsidiary. The said Policy may be accessed at the Company's website www.dalmiaocl.com.

However, the Company had entered into a share purchase agreement dated March 28, 2023, with RHI Magnesita Deutschland AG, for the sale of its entire 100% shareholding in Dalmia GSB Refractories GmbH ('Dalmia GSB') after the fulfillment of conditions as mentioned in the share purchase agreement. Consequently, Dalmia GSB ceased to be the wholly owned subsidiary of the Company with effect from April 28, 2023.

A statement containing the salient features of the financial statements of the Company's subsidiaries and joint ventures for the financial year ended on March 31, 2023 in form AOC-1 is attached and marked as Annexure-1 and forms part of this annual report. The contribution of the Company's subsidiaries to the overall performance of the Company during the financial year under review could be referred from the financial highlights given above and the financial statements forming part of the annual report.

The annual reports of subsidiaries are not being published and if any member desirous of obtaining a copy of the same may write to the Company Secretary of the Company. Any member desirous to inspect the same, may conduct inspection at the registered office of the Company during business hours.

The standalone and consolidated financial statements of the Company and its subsidiaries, are placed on the Company's website www.dalmiaocl.com.

Apart from those mentioned above, the Company does not have any other associate or joint venture Company. Further, there is no material change in the business of subsidiary companies and the Company has taken note of all the significant transactions and arrangements entered

into by its subsidiaries.

Consolidated Financial Statements

In accordance with the provisions of the Companies Act, 2013 read with the Indian Accounting Standards (Ind AS), the consolidated financial statements of the Company for the financial year 2022-23 have been prepared in accordance with applicable accounting standards and form part of the annual report.

Corporate Governance

Your directors believe that corporate governance is an ethically driven business process that is committed to values aimed at enhancing the growth of your Company. The endeavor is to continue and move forward as a responsible and sustainable Company in order to attract as well as retain talents, investors and to maintain fulfilling relationships with the communities and take all possible steps in the direction to re write a new future for your Company.

We are committed to achieve the highest standards of ethics, transparency, corporate governance and continue to comply with the code of conduct framed for the board of directors (“Board”) and senior management under regulation 17 of the SEBI Listing Regulations and have maintained high standards of corporate governance based on the principle of effective implementation of internal control measures, adherence to the law and regulations and accountability at all levels of the organization.

Your Company’s corporate governance practices are driven by effective and strong Board oversight, timely disclosures, transparent accounting policies and high levels of integrity in decision making.

The corporate governance report of the Company for the financial year 2022-23 as required under the applicable SEBI Listing Regulations is attached hereto and forms part of this report. The requisite certificate from the practicing company secretary confirming compliance with the conditions of corporate governance is attached to the corporate governance report.

Annual Return

In terms of the provisions of section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the draft annual return of your Company for Year Under Review has been uploaded at the Company’s website www.dalmiaocl.com

Credit Rating

Please refer to the appropriate section of corporate governance report for the details relating to the credit rating assigned to the Company.

Corporate Social Responsibility Initiatives

During the Year Under Review, the Company did not have any obligation to contribute on Corporate Social Responsibilities (“CSR”) activities, under Section 135 of the Companies Act, 2013.

However, during the Year Under Review, the Company had contributed INR 30 lakhs on CSR activities on voluntary basis. Pursuant to the transfer of business to Dalmia OCL Limited and subsequent transfer of Dalmia OCL Limited to RHIM, it has been agreed between the Company, Dalmia OCL Limited and RHIM that Dalmia OCL Limited, shall fulfil the Company’s voluntary decision of CSR initiatives. Hence, during the Year Under Review, out of the total CSR fund recommended by the CSR Committee and agreed by the Board, the details of CSR contribution are as follows:

- a. INR 17,46,000/- (Indian Rupees Seventeen Lakhs Forty Six Thousand only) has been contributed by the Company;
- b. The rest of obligation with respect to CSR contribution has been transferred to Dalmia OCL Limited, pursuant to the transfer of business under business transfer agreement.

The annual report on CSR activities carried out by the Company is attached and marked as Annexure-2 and forms part of this Report.

The CSR policy of the Company adopted by the Board, is available on the Company’s website at www.dalmiaocl.com.

The Company is fully aware of its social responsibilities and is providing time to time assistance through the local institutions to benefit the local residents of the nearby areas to the Company’s location. The prime objective of the CSR policy of the Company is to hasten social, economic and environmental progress.

Postal Ballot

During the period under review, no resolution was passed through postal ballot.

Board of Directors

Directors and Key Managerial Personnel (“KMP’s”)

Directors:

As on March 31, 2023, the composition of the Board is as follows:

S No.	Name of the Director	Designation
1.	Mr. Sameer Nagpal	Managing Director & CEO
2.	Mr. Deepak Ambadas Thombre	Independent Director
3.	Mr. Rajkamal Saraogi	Independent Director
4.	Mr. Chandra Narain Maheshwari	Non-Executive Director
5.	Ms. Rachna Gorla	Non- Executive Women Director

During the financial year, the members in the annual

general meeting of the Company held on September 27, 2022, have approved the appointment of Mr. Sameer Nagpal as the Managing Director and CEO of the Company with effect from March 31, 2022 for a period of five years. Further, the members also accorded their approval for the regularization of Mr. C.N. Maheshwari as the Non- Executive Director of the Company.

There was a change in designation of Mr. Sameer Nagpal from Managing Director & CEO of the Company with effect from closing hours on May 05, 2023 to the Non-Executive Director & Non-Independent Director on the Board with effect from May 06, 2023. Pursuant to the same, upon the recommendation of the Nomination and Remuneration Committee, Mr. Chandra Narain Maheshwari was appointed as the Whole Time Director & CEO of the Company, from the non-executive director, with effect from May 06, 2023 subject to the approval of shareholder in the ensuing annual general meeting.

The Board is duly constituted with proper balance of executive & non- executive directors, independent directors and woman director.

The requisite certificate(s) from the practicing company secretary confirming that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such authority is attached to the corporate governance report.

KMPs

In terms of Section 203 of the Act, pursuant to the resignation of Ms. Akansha Jain as the Company Secretary of the Company, Ms. Meghna Saini was appointed as the Company Secretary & Compliance Officer of the Company with effect from June 21, 2022. Mr. Sikander Yadav, Chief Financial Officer of the Company has resigned from his position with effect from January 06, 2023. Further, the Board of Directors approved the appointment of Mr. Rahul Sahni as the Chief Financial Officer of the Company with effect from April 21, 2023.

Director Retiring by Rotation

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Sameer Nagpal, Non-Executive Director of the Company, being longest in the office, retires by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. He has given a declaration in terms of Section 164(2) of the Companies Act, 2013 to the effect that he is not disqualified from being re-appointed as a Director of the Company.

Independent Directors

The Board has 2 (two) independent directors as on March

31, 2023, representing diversified fields and expertise. Details are provided in the appropriate section of the corporate governance report.

During the Year Under Review, the members in the annual general meeting of the Company held on September 27, 2022, have approved the appointment of Mr. Rajkamal Saraogi as the independent director of the Company with effect from March 24, 2022 for a term of five consecutive years.

The independent directors have submitted their declarations of independence stating that they meet the criteria of independence as required in terms of the provisions of section 149 (7) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI Listing Regulations, as amended from time to time.

The Company has also received confirmation from all the independent directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the independent directors possess the requisite expertise and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the management.

Meeting of Board of Directors

The Board of the Company met eleven times during the Year Under Review i.e. on May 06, 2022, August 01, 2022, October 29, 2022, November 19, 2022, November 26, 2022, January 04, 2023, February 02, 2023, March 10, 2023, March 24, 2023, March 28, 2023 and March 29, 2023. The intervening gap between two consecutive meetings of the Board did not exceed one hundred and twenty days during the financial year ended March 31, 2023.

The Board meetings were conducted in due compliance with and following the procedures prescribed in the Companies Act, 2013, SEBI Listing Regulations and applicable secretarial standards.

In terms of the provisions of rule 8 of schedule IV to the Companies Act, 2013 a separate meeting of the independent directors excluding all other directors of the Company was also held on February 02, 2023. Reference is invited to the annexed corporate governance report for details thereof.

The details of Board and committee meetings held during the Year Under Review and directors attending the same are given in the corporate governance report forming part of this Report.

Constitution of Committees

As on March 31, 2023, there are four Board level committees:

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

The details with respect to the composition, terms of reference and other details of all the aforementioned committees of the company have been elaborated in the corporate governance report annexed to this report.

Nomination & Remuneration Policy

The Company has devised a Nomination and Remuneration Policy ("NRC Policy") which inter alia sets out the guiding principles for identifying and ascertaining the integrity, qualification, expertise and experience of the person for the appointment as directors, KMPs and senior management personnel ("SMPs").

The NRC Policy has been framed with the objective-

- a. to ensure that appointment of directors, KMPs and SMPs and their removals are in compliances with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations;
- b. to set out criteria for the evaluation of performance and remuneration of directors, KMPs and SMPs;
- c. to adopt best practices to attract and retain talent by the Company; and
- d. to ensure diversity of the Board of the Company.

The NRC Policy specifies the manner of effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. During the Year Under Review, there has been no change in the NRC Policy.

The NRC Policy of the Company can be accessed at the website of the Company at www.dalmiaocl.com.

Performance Evaluation

During the Year Under Review, the formal annual evaluation of the performance of the Board, its committees and individual directors was carried out, in the Company by the independent directors, the Nomination and Remuneration Committee and the Board, in compliance with the Companies Act, 2013 and SEBI Listing Regulations, as amended from time to time.

The performance of non-independent directors, Board as a whole and the chairman was evaluated in a separate meeting of independent directors of the Company. Similar evaluation was also carried out by the Nomination and Remuneration Committee and the Board. Performance

evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

An indicative criterion of evaluation was circulated to the directors to facilitate such evaluation. Based on the feedback of the directors and on due deliberations of the views and counter views, the evaluation was carried out in terms of the NRC Policy and such indicative criterion.

Whistle Blower Policy and Vigil Mechanism

In compliance with the provisions of section 177 of the Companies Act, 2013 and regulation 22 of the SEBI Listing Regulations, the Company has in place the Whistle Blower Policy and Vigil Mechanism for Directors, employees and other stakeholders which provides a platform to them for raising their voice about any breach of code of conduct, financial irregularities, illegal or unethical practices, unethical behavior, actual or suspected fraud, health, safety and environmental issues. Adequate safeguards are provided against victimization of stakeholders who use such mechanism and direct access to the Chairman of the Audit Committee in appropriate cases is provided.

The aforesaid policy may be accessed at the website of the Company at www.dalmiaocl.com.

During the year under review, the Company has not received any whistleblower complaints.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls commensurate with the size of the Company and nature of its business which are reviewed periodically.

The internal auditors of the Company conduct regular internal audits as per approved plan and the Audit Committee reviews periodically the adequacy and effectiveness of internal control systems and takes steps for corrective measures whenever required.

The roles and responsibilities of all talents and functions have been clearly laid out through a number of detailed standard operating procedure and delegation of authority. The risks identified in the audits are immediately accounted for in the processes and addressed through the standard operating procedures.

Particulars of Loans, Guarantees & Investments

Your Company has given guarantees, provided security and made investments within the limits with the necessary approvals and in terms and accordance with the provisions of Section 186 of the Companies Act, 2013. The particulars of such guarantees given, securities provided and investments made are provided in the standalone financial statements at Note No. 5.

Related Party Transactions and Policy

The Company has formulated a related party transactions policy and the same may be accessed at the website of the Company at www.dalmiaocl.com. Prior omnibus approval was obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at an arm's length basis. All related party transactions are placed before the Audit Committee for review, ratification and approval.

During the financial Year Under Review, all related party transactions were in the ordinary course of business or at arm's length basis. Except the following related party transactions, no other material related party transaction took place during the Year Under Review, on which proper approval of audit committee/Board/shareholders, as applicable, have been obtained:

- a. Company, vide, business transfer agreement dated November 19, 2022, has transferred its entire business undertaking (as defined under said business transfer agreement) to Dalmia OCL Limited, the wholly owned subsidiary of the Company, at the time of the transfer. The transfer took place on January 04, 2023;
- b. Company has approved the investment for an amount not exceeding INR 1000 crore in Dalmia Bharat Limited, within a period of 36 months from the date of approval;
- c. Company has approved the investment for an amount not exceeding INR 500 crore in Hippostores Technology Private Limited, within a period of 36 months from the date of approval.

Except as stated above, the Company has not entered into any arrangement/ transaction with related parties which could be considered material. The details of the transactions are specified in in form AOC-2 attached as Annexure 3.

Risk Management

The assessment of the major risks is being done through a systematic procedure of risk identification and classification. The purpose of risk management is to proactively address risks. The audit committee oversees the risk management plan and ensures its effectiveness.

There are no elements of risk which in the opinion of the Board may threaten the existence of the Company.

Auditors & Auditors' Report

Secretarial Auditor

In terms of section 204 of the Companies Act, 2013 and in accordance with the provisions of regulation 24A of the SEBI Listing Obligations and Disclosure Requirement Regulations 2015, M/s Vanika Gupta & Associates, Practicing Company Secretaries, was appointed as the secretarial auditor of the Company to conduct the

secretarial audit for the financial year 2022-23.

M/s Vanika Gupta & Associates, Secretarial Auditor, has given the secretarial audit report of the Company in the prescribed form MR-3 for the financial year ended on March 31, 2023 which is being attached herewith as Annexure-4 to this Report. There is no qualification, reservation or adverse remark in the secretarial audit report.

Statutory Auditors

M/s. Chaturvedi & Shah, Chartered Accountants were appointed as the statutory auditors of the Company for a term of 5 years at the annual general meeting of the Company held on September 29, 2020 to hold office as such till the conclusion of annual general meeting of the Company to be held in the financial year 2025-26.

The Company has received a certificate from them to the effect that they are eligible to continue as the statutory auditors of the Company and that they comply with the limits prescribed under the Companies Act, 2013 read with relevant rules. They have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The reports submitted by the statutory auditor on the standalone and consolidated financial statements of the Company are self-explanatory and do not contain any qualification, reservation, adverse remark or disclaimer. The statutory auditor has not reported any matter under Section 143(12) of the Act during the year under review.

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

The statement reflecting the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is attached to the report as Annexure-5.

Particulars of remuneration of directors', key managerial personnel and employees'

The details of remuneration of each of the director & KMP of the Company and other particulars in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report Annexure-6.

A statement containing the names and other particulars of the employees of the Company in terms of the provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure-6A.

Deposits

The Company has not accepted any deposits from the

public till date. Further, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

Industrial Relations

The industrial relations during the Year Under Review remained harmonious and cordial.

Disclosures

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

The Company has complied with all the applicable secretarial standards issued by the Institute of Company Secretaries of India from time to time and approved by the Central Government.

No application has been made under the Insolvency and Bankruptcy Code, 2016; hence the requirement to disclose the details of the application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the Year Under Review along with their status at the end of the financial year is not applicable.

The requirement to disclose the details of difference between done at the time of one time settlement and the valuation done while taking loan from the bank or financial institutions along with the reasons thereof, is not applicable.

Maintenance of Cost Record

The company is required to maintain the books of account pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to manufacture of goods and such accounts and records are being duly maintained.

Disclosure under the sexual harassment of women at workplace (prevention, prohibition and redressal) act, 2013

Your Company is committed to ensuring that all are treated with dignity and respect. The human resource and the legal & secretarial department in collaboration with other functions, ensure protection against sexual harassment of women at workplace and for the prevention and redressal of complaint in this regard.

In line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, an Anti-Sexual Harassment Policy has been put in place and Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the financial year 2022-23, no complaint has been received by ICC.

Material changes & commitments

Apart from disclosures made in the report, no other

material changes and commitments have occurred, after the close of the year till the date of this report, which affect the financial position of the Company.

Directors Responsibility Statement:

In terms of the provisions of Section 134(5) of the Companies Act, 2013, your Directors declare that:

- i. in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis.
- v. the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgment

The Board would like to express its sincere appreciation for the assistance and co-operation received from the Government authorities, financial institutions, banks, customers, vendors and members during the Year Under Review. The Board also wish to place on record its deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For and on behalf of Board of Directors
of Dalmia Bharat Refractories Limited**

Sd/-

Deepak Thombre

Chairman

DIN: 02421599

Dated: June 28, 2023

Place: Pune

ANNEXURE 1

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial Statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(Information in respect of each of subsidiary to be presented with amounts in Rs in crore)

Sl. No.	Particulars	1	2	3	4	5	6
	Name of the subsidiary	Dalmia Seven Refractories Limited	Dalmia GSB Refractories GmbH	Dalmia OCL Limited	OCL Global Limited	OCL China Limited	Dalmia Mining and Services Private Limited
1	The date since when subsidiary was acquired	01.03.2022	01.03.2022	07.10.2019	01.03.2022	01.03.2022	10.03.2023
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA	NA	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	Euro Exchange rate – [89.44]	NA	USD Exchange rate – [82.01]	CNY Exchange rate [11.93]	NA
4	Share capital	20	15.16	0.02	0.50	24.41	0.15
5	Reserves & surplus/other equity	-	14.10	-	127.85	33.76	(0.15)
6	Total Assets	-	169.66	-	142.34	78.10	0.01
7	Total Liabilities	-	140.40	-	13.99	19.93	0.01
8	Investments	-	-	-	-	-	-
9	Turnover	-	195.00	-	101.51	100.97	-
10	Profit before taxation	-	18.17	-	9.55	0.63	-
11	Tax expense	-	5.27	-	-	0.71	-
12	Profit after taxation	-	12.90	-	9.55	(0.08)	-
13	Proposed Dividend	-	-	-	-	-	-
14	Extent of shareholding (In percentage)	51%	100%	100%	100%	90% held by OCL Global Limited (Step Down Subsidiary)	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – Dalmia Mining and Services Private Limited
- Names of subsidiaries which have been liquidated or sold during the year – Dalmia Seven Refractories Limited and Dalmia OCL Limited, ceased to be the subsidiaries of the Company with effect from January 05, 2023 pursuant to the business transfer agreement and share swap agreement entered between the Company and RHI Magnesita India Limited dated November 19, 2022.

PART "B":

Associates and Joint Ventures:

S. No.	Name of Associate/ Joint Venture	Latest audited balance sheet	Number of shares	Amount of investment	Networth attributable to Shareholding as per latest audited Balance Sheet	Extend of holding %	Profit/ (loss) for the year in consideration for consolidation	Profit/ (loss) for the year in consideration for consolidation	Description of significant influence	Reason why the associate is not consolidated
Not Applicable										

For and on behalf of the Board of Directors of Dalmia Bharat Refractories Limited

Date: June 28, 2023	Sd/- Deepak Thombre Chairman DIN: 02421599 Place: Pune	Sd/- Chandra Narain Maheshwari Whole Time Director & CEO DIN: 00125680 Place: Delhi	Sd/- Rahul Sahni Chief Financial Officer Place: Delhi	Sd/- Meghna Saini Company Secretary Place: Delhi
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ANNEXURE 2

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1st DAY OF APRIL, 2023

I. Brief outline on CSR Policy of Dalmia Bharat Refractories Limited ('Company'):

Our CSR initiatives are guided by our CSR Policy ('Policy'). The Policy was adopted on May 06, 2022. The Company aims at sustainable and inclusive growth, by making definitive triple bottom-line (social, economic and environmental) impact. While we have always had a strong commitment to comply with the law, we seldom hesitate to go beyond the limits laid under law and put in an extra effort to achieve the status of a responsible corporate citizen in tune with the Company's values. Aiming at creating shared values for all stakeholders, we seek to integrate corporate social responsibility ("CSR") into our businesses processes.

In compliance with the provisions of section 135 of the Companies Act, 2013 ("Act") including Schedule VII thereof, and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules"), the Company shall undertake its CSR activities, projects, programmes (either new or ongoing) in a manner compliant with the Act and the Rules ("Projects").

CSR has always been and shall always be an integral and strategic part of our business process. It is a vital constituent of our Company's commitment to sustainability. True to the spirit of our vision, we strive to utilize the potential of human and natural capital around us in a manner that facilitates social, economic and environmental progress. The main objective of the CSR Policy is to lay down guidelines for the Company to make CSR a key business process for sustainable development of the society. The Company aims to be a good corporate citizen by subscribing to the principles of integrating its economic, environmental and social objectives, and effectively utilizing its own resources towards improving the quality of life and building capacities of the local communities and society at large.

II. Composition of CSR Committee of the Company:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sameer Nagpal	Chairman	2	2
2	Mr. Deepak Thombre	Member	2	2
3	Dr. C.N. Maheshwari	Member	2	2

III. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

<https://www.dalmiaocl.com/investors.php>

IV. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not applicable

- V.** (a) Average net profit of the Company as per sub-section (5) of section 135- **INR 0.05 Crore**
(b) Two percent of average net profit of the Company as per sub-section (5) of section 135- **NIL**
(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years- **NIL**
(c) Amount required to be set off for the financial year, if any- **NIL**

Total CSR obligation for the financial year ((Va) + (Vb) - (Vc)) - NIL

- VI.** (a) Amount spent on CSR projects (both ongoing and other than ongoing projects)- **INR 17,46,000¹**
(b) Amount spent in administrative overheads- **NIL**
(c) Amount spent on Impact Assessment, if applicable- **Not Applicable**
(d) Total amount spent for the financial year ((VIa)+(VIb)+(VIc) – **INR 17,46,000/-**
(e) CSR amount spent or unspent for the financial year 2022-23:

¹The CSR Committee and board has approved the contribution of INR 30,00,000/- on CSR projects on voluntary basis. However, due to the business transfer transaction with RHIM, INR 17,46,000/- has been spent by DBRL and for the rest, the obligation was transferred to Dalmia OCL Limited.

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
17,46,000/-	NIL				

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	17,46,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	17,46,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	17,46,000

VII. Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund specified under Schedule VII as per section 135(5), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs) Date of transfer	Date of transfer		
NIL								

VIII. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

Yes No

If yes, enter the number of capital assets created/acquired – Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration No, if applicable	Name	Registered Address
NIL							

IX. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

For Dalmia Bharat Refractories Limited Sd/- Chandra Narain Maheshwari CEO DIN: 00125680 Place: New Delhi Date: June 28, 2023	For Dalmia Bharat Refractories Limited Sd/- Sameer Nagpal Chairman CSR Committee DIN: 02421599 Place: New Delhi Date: June 28, 2023
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ANNEXURE 3

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis

SL. No.	Particulars	Particulars
a)	Name (s) of the related party & nature of relationship	Dalmia OCL Limited
b)	Nature of contracts/arrangements/transaction	Transfer of business undertaking to Dalmia OCL Limited through a Business Transfer Agreement executed on November 19, 2022.
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	DBRL has transferred its entire business undertaking (except MGoC business) including the 51% shareholding in Dalmia Seven Refractories Limited, to Dalmia OCL Limited on aggregate consideration of INR 2,213 crores to be disbursed partially in cash (approx. INR 505 crores, subject to certain adjustments as per business transfer agreement) and remaining in equity shares (8.24 crores shares worth approx. INR 1,708 crores).
e)	Date of approval by the Board	November 19, 2022
f)	Amount paid as advances, if any	NA

Sl. No.	Particular	Details
(a)	Name (s) of the related party & nature of relationship	From any one or combination of more than one following related parties: a. Keshav Power Limited b. Mayuka Investment Limited c. Ankita Pratisthan Limited d. Rama Investment Company Private Limited e. MAJ Textiles Limited f. Shree Nirman Limited
(b)	Nature of contracts/arrangements/transaction	For investment in Dalmia Bharat Limited on-market purchase of equity shares of Dalmia Bharat Limited
(c)	Duration of the contracts/arrangements/transaction	36 months
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	The purchase will be an on market purchase basis the prevailing market price of shares
(e)	Date of approval by the Board	March 28, 2022
(f)	Amount paid as advances, if any	NA

Sl. No.	Particular	Details
(a)	Name (s) of the related party & nature of relationship	Hippostores Technology Private Limited and/or any current equity/security holder falling under the category of related party*
(b)	Nature of contracts/arrangements/transaction	Investment for an amount not exceeding INR 500 crore in either equity instrument or any other instrument, either through acquisition or otherwise.
(c)	Duration of the contracts/arrangements/transaction	36 months
(d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Basis the fair market value determined by the registered valuer at the time of investment.
(e)	Date of approval by the Board	March 28, 2022
(f)	Amount paid as advances, if any	NA

**If DBRL will invest through fresh subscription of shares and/or any other security including debt security Hippostores Technology Private Limited, being a promoter group entity will be a related party. In case DBRL will purchase the shares and/or securities including debt securities, from existing holders, in 36 months, DBRL will make required disclosures (including the details of the related parties) as and when the transaction will be made.*

**For and on behalf of Board of Directors
of Dalmia Bharat Refractories Limited**

**Sd/-
Deepak Thombre
Chairman
DIN: 02421599**

Place: Pune
Dated: June 28, 2023

ANNEXURE 4

SECRETARIAL AUDIT REPORT *FOR THE YEAR ENDED 31st March, 2023*

To,
The Members
DALMIA BHARAT REFRACTORIES LIMITED
CIN: - L26100TN2006PLC061254
DALMIAPURAM, DIST. TIRUCHIRAPPALLI
TAMILNADU 621651 IN

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DALMIA BHARAT REFRACTORIES LIMITED. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the DALMIA BHARAT REFRACTORIES LIMITED, 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, we hereby report that in our opinion, the company has, during the audit period covering the year ended on 31st March, 2023 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:

We have examined the minute books, registers, forms and returns filed, and other records, maintained by DALMIA BHARAT REFRACTORIES LIMITED (“the Company”) for the year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;*
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. As per the information and explanation given to us company has no External Commercial Borrowings;*
- (iii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;*
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;*
- (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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;*
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;*

- (c) *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**
- (d) *Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;*
- (e) *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **
- (f) *The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;*
- (g) *Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and **
- (h) *The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;**

** Not applicable as there is no reportable event held during the year under review.*

We further Report that the Company got the listing approvals from Calcutta Stock Exchange Limited on 25th October, 2022 and from Metropolitan Stock Exchange of India Limited on 20th September, 2022, therefore, the listing compliances became applicable on the Company with effect from September 20, 2022.

(vi) Other Laws as may be applicable specifically to the company:

The Company has identified the following laws as applicable specifically to the Company:

- The Mines Act, 1952 Mines Rules*
- Metalliferous Mines Regulations-1961*
- Mines Labour Welfare Fund Act*
- Explosives Rules & Regulations*

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.*
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

As per the information and explanation provided to us by company officials and authorised representatives, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and no change in the composition of the Board of Directors took place during the period under review. However, there was a change in Key Managerial Personal as Company Secretary of the Company Ms. Akansha Jain resigned on 20.06.2022 and New Company Secretary Ms. Meghna Saini got appointed on 21.06.2022.

As per the representation provided to us by the company official, adequate notice of at least seven days (except few Board meetings which were held at shorter notice in compliance with the Act) was given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda 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 in compliance of the Act.

Majority decision is carried unanimously by the Directors, while the dissenting members' views, if any are captured and recorded as part of the minutes.

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

*Place: New Delhi
Date: 15/06/2023*

***For Vanika Gupta & Associates
Company Secretaries***

***Sd/-
Vanika Gupta
(Proprietor)
M. No : 48517,
COP: 20430
UDIN: A048517E000491036***

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
DALMIA BHARAT REFRACTORIES LIMITED
CIN: - L26100TN2006PLC061254
DALMIAPURAM, DIST. TIRUCHIRAPPALLI
TAMILNADU 621651 IN

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. 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. Our responsibility is to express an opinion on these secretarial records based on our audit.*
- 2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.*
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.*
- 4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.*
- 5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.*
- 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.*

Place: New Delhi
Date: 15/06/2023

For Vanika Gupta & Associates
Company Secretaries

Sd/-
Vanika Gupta
(Proprietor)
M. No : 48517,
COP: 20430
UDIN: A048517E000491036

ANNEXURE 5

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

A. CONSERVATION OF ENERGY

(a) The steps taken/ impact on conservation of energy:

During the Year Under Review, the Company has taken following steps, at all its locations for conservation of energy¹

- i. Conversion of HPSV lamps into LED lights and installation of LED light in different places of MV / SV lights and fluorescent tube light.
- ii. Installation of VFD for energy efficient operation of all kiln fan and Dust collectors.
- iii. Optimized running of chiller in ESR room of Concast plant. Split AC were used in place of 44 tone chiller to achieve desired temperature 250C as per production norms.
- iv. Optimize running of heat exchanger in SACMI to achieve desired temperature 50C as per statutory norms.
- v. Installed AC drive for energy efficient operation of Basic grinding circuit.
- vi. Interlock provided for dust filter motor with rotary sluice of silica and Basic grinding circuit to check idle running of dust filter.
- vii. Idle run check circuit was introduced through PLC for all types of press to check idle running of motors. 13777 MT Recycled material usage in FY'22-23 for basic production which has an indirect impact on energy saving towards mining and mineral processing.

(b) The steps taken by the Company, for utilizing alternate sources of energy:

Day light harvesting was done to reduce energy consumption by using natural day light and laying of Transparent (Polycarbonate) sheets on roof and the plant sheds to utilize sunlight in day time.

(c) The capital investment on energy conservation equipment's:

No material investment has been reported by the Company during the Year Under Review.

B. TECHNOLOGY ABSORPTION:

1. The efforts made towards technology absorption:

Continuous efforts are being made for developing better performing products.

2. The Benefits derived like Product improvement, cost reduction, product development, import substitution, etc.:

We have implemented cost saving by sourcing finished cut tubes. This also reduces scrap generation and effective savings per month is estimated at 3 lakhs / month

3. Any technology imported in the last three years. NA

4. Expenditure incurred on Research and Development.

No material amount was spent on research and development during the Year Under Review.

C. FOREIGN EXCHANGE AND OUTGO

Foreign currency during the Year Under Review:

Particulars	Foreign Currency (FC)	FY 2022-23 (in crore)		FY 2021-22 (in crore)	
		In FC	In Rs.	In FC	In Rs.
Unhedged ForeignCurrency					
	USD	0.12	9.66	1.46	110.19
	Euro	0.04	3.28	0.06	5.16
Trade Payables	CNY	0.57	6.78	-	-
Trade Receivable	USD	0.02	2.03	0.49	37.41
	Euro	0.00	0.17	0.22	18.89
Advances received from customers - Export	USD	-	-	0.01	0.40
	Euro	0.09	7.47	-	-
Hedged Foreign Currency					
Trade Payables	USD	-	-	0.26	19.74

¹ Details are provided only till January 04, 2023, as after that the business has been transferred to Dalmia OCL Limited.

ANNEXURE 6

Details Pertaining to the remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I. Details of ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year under review is given below:

SL. No.	Name of Director	Remuneration of Director for year under review (Rs. in Lakhs)	% increase in remuneration for year under review	Ratio of remuneration of each Director/to median remuneration of employees
1	Mr. Sameer Nagpal Managing Director	316	11%	35.27
2	Mr. Deepak Thombre Independent Director	8.65	-	0.96
3	Mr. Chandra Narain Maheshwari Non-Executive Director	-	-	-
4	Mr. Rajkamal Saraogi Independent Director	8.35	-	0.93
5	Ms. Rachna Gorla Non-Executive Women Director	-	-	-

- During the year under review, only sitting fees has been paid to Mr. Deepak Thombre and Mr. Rajkamal Saraogi for attending the meetings of the Board and Committees of the Company which forms part of the Remuneration paid to them.
- Mr. Sameer Nagpal was appointed as the Managing Director & CEO of the Company w.e.f March 01, 2022. The remuneration does not include any bonus paid during the Year Under Review.

a) The median remuneration of employees of the Company during the year under review was Rs. 8.94 Lakhs

II. The percentage increase in the median remuneration of employees of the Company in the financial year was 65.47%

III. There were 47 permanent employees on the rolls of Company as on March 31, 2023.

Note: Pursuant to the business transfer agreement and share swap agreement amongst Dalmia Bharat Refractories Limited ('DBRL'), Dalmia OCL Limited ('DOCL') and RHI India Magnesita Limited ('RHIM') all the employees of the Company except the ones stated above were transferred to DOCL.

IV. Average percentage increase in the salaries of employees other than key managerial personnel of the Company was 10%

V. Average percentage increase in the remuneration of Chief Financial Officer and Company Secretary of the Company was

Sr No.	Name of the Employee	Designation	Average % increase
1	Mr. Sikander Yadav	Chief Financial Officer	3%
2	Ms. Meghna Saini	Company Secretary	15%

Notes:

- Mr. Sikander Yadav resigned from the Company w.e.f January 06, 2023.
- During the year under review, Ms. Meghna Saini was appointed as the Company Secretary of the Company w.e.f. June 21, 2022, hence proportionate increase has been considered.

VI. The name of every employee, who-

i. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

Mr. Sameer Nagpal

ii. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;

Mr. Sikander Yadav

iii. *if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.*

None

iv. *Particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month.*

None

VII. It is hereby affirmed that the remuneration paid during the year under review was in terms of the Remuneration Policy of the Company.

REPORT ON CORPORATE GOVERNANCE



During, the financial year 2022-23 ('Year Under Review') the Company got its listing approval from Metropolitan Stock Exchange of India and Calcutta Stock Exchange with effect from September 20, 2022 and October 25, 2022 respectively and became an active listed entity.

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance is all about the role and relationship between a company and its stakeholders to maximize the value ethically and on a sustainable basis.

The Company's philosophy on corporate governance is to conduct business in a fair, transparent and ethical manner and enhancing stakeholder value. We believe that our Company shall go beyond adherence to regulatory framework. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our corporate governance philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance-oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders.

Our policies will be constantly reviewed and improved keeping in mind our goal of maximization of values to all the stakeholders. The Company will comply and observe

all the mandatory provisions of the applicable act, rules, regulations, as amended from time to time, with regard to corporate governance. Company will maintain maximum transparency in passing on information to the shareholders. Additionally, your Company believes in complying with all the applicable laws of the country, in its letter as well in spirit.

This report is in compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') with effect from the listing approvals obtained from the respective stock exchanges.

II. BOARD OF DIRECTORS OF THE COMPANY

Composition and category of directors

The Company's policy is to have Board of Directors ("Board") with proper balance of executive directors and non-executive directors including independent directors and woman director.

As on March 31, 2023, the Board of the Company comprised of five directors, one of whom is an executive director, two non-executive directors including a women director and two independent directors.

The composition of the Board is in conformity with Reg-

ulation 17 of the SEBI Listing Regulations, as amended from time to time. Further, all directors, both executive and non-executive, are professionally competent and experienced in their respective fields and none of the directors are related to each other or to any key managerial personnel of the Company.

Mr. Deepak Thombre, Chairman of the Board is a non-executive independent director and is not related to the managing director of the Company.

All the independent directors have given a declaration of independence in terms of Section 149(6) of the Act read with Companies (Appointment and Qualification of Directors) Rules 2014 and the SEBI Listing Regulations. In the opinion of the Board, all the independent directors fulfil the conditions specified in SEBI Listing Regulations and are independent of the management.

The composition of the Board as on March 31, 2023 is as under:

Non-Executive Independent Directors	40%
Non-Executive and Non-Independent Directors	40%
Executive Directors i.e. Managing Director & CEO	20%
Total Board Size and Composition	100%

Board Meetings, Directors' Attendance Record and Directorships Held

The Board meetings are generally held at the corporate office of the Company, however, it may not be possible for

all the directors to be physically present at all meetings therefore, we provide videoconferencing facilities to enable their participation. The meetings are carried out in accordance to the applicable provisions and relaxations provided by the SEBI and MCA Circulars in this regard. The Board meets at least once every quarter and additional meeting(s) are requisitioned, whenever necessary.

The Board have met 11 (Eleven) times during the financial year 2022-23, i.e., on May 06, 2022, August 01, 2022, October 29, 2022, November 19, 2022, November 26, 2022, January 04, 2023, February 02, 2023, March 10, 2023, March 24, 2023, March 28, 2023 and March 29, 2023. The maximum gap between any two meetings was less than 120 days during the Year Under Review.

None of the directors are members of more than ten board level committees nor are they chairman of more than five committees in which they are members. Table 1 gives the details of the composition of the Board, attendance and details of committee memberships and committee chairmanships, Table 2 provides the names of the listed entities where the directors of the Company hold directorship and the category of directorship and Table 3 is a chart setting out the skills/expertise/ competence of the directors as identified by the Board in context of the business (es) and sector(s) for Board to function effectively and Table 4 is the chart setting out core skills/ expertise and competencies of the Directors.

None of the directors on the Board of the Company have been debarred or disqualified from being appointed and continuing as directors of the Company by Securities Ex-

Table 1: Composition of the Board of Directors as March 31, 2023

Name of the Directors	Category of Director	Attendance Particulars				No. of Directorship(s) and other Committee(s) Memberships/ Chairmanships' including the Company		
		Number of Board Meetings			Last AGM	Directorships@	Committee Memberships' #	Committee Chairmanships' #
		Held	Entitled to attend	Attended				
Mr. Sameer Nagpal	Managing Director & CEO (Executive)	11	11	10	-	1	2	-
Mr. Deepak Ambadas Thombre	Non-Executive Independent	11	11	11	-	4	1	3
Mr. Raj Kamal Saraogi	Non-Executive Independent	11	11	11	-	1	1	-
Mr. Chandra Narain Maheshwari	Non-Executive	11	11	11	-	8	1	-
Ms. Rachna Goria	Non-Executive	11	11	9	-	8	1	-

@ Excluding directorships in private limited companies, foreign companies and section 8 companies under the provisions of the Act;

The disclosure includes membership/ chairpersonship of the audit committee and stakeholder's relationship committee in Indian public companies (listed and unlisted).

Notes:

- None of the directors (i) hold membership in more than ten public limited companies and (ii) is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he/she is a Director (iii) hold directorship in more than seven listed companies and serve as an independent director in more than seven listed companies

Table 2: Details of other public companies in which directorship is held by the Directors of the Company

Name of the Directors	Name of the other public in which directorship held	Category
Mr. Deepak Thombre	1. AFC India Limited 2. Vinay Cement Limited 3. Calcom Cement India Limited	Director Independent Director Independent Director
Mr. Raj Kamal Saraogi	-	-
Mr. Chandra Narain Maheshwari	1) Alirox Abrasives Limited 2) Sita Investments Company Limited 3) Keshav Power Limited 4) Shree Nirman Ltd 5) Arjuna Brokers & Minerals Limited 6) Ankita Pratisthan Limited 7) Mayuka Investment Limited	Non-executive Director
Mr. Sameer Nagpal	-	-
Ms. Rachna Gorla	1) Sri Trivikrama Mines and Properties Limited 2) Sri Madhusudana Mines and Properties Limited 3) Alstom Industries Limited 4) Calcom Cement India Limited 5) Ishita Properties Limited 6) Hemshila Properties Limited 7) D.I. Properties Limited	Non-executive Director

change Board of India (“SEBI”) / MCA or any other statutory authority(ies). A certificate in this regard from Mr. N.C. Khanna, Practicing Company Secretary is enclosed at the end of the report.

Table 3: Board Skill Matrix:

S.no.	Experience/ Expertise/Attribute	Description
1.	Management & Leadership Skills	Should be a Visionary with strategic goal for the Company, help the Company to identify possible road maps and mentor the leadership team to channelize the energy/efforts in appropriate direction. Should be a thought leader and a role model in good governance and ethical conduct of business, while encouraging the organization to maximize shareholder value.
2.	Industry Knowledge and Experience	Should possess domain knowledge in businesses in which the company participates viz. manufacture and sale of Refractory and allied products and services and such other areas as appropriate for betterment of Company business.
3.	Experience and Exposure in policy shaping and industry advocacy	Should possess ability to develop professional relationship with the policy makers and Regulators for Contributing to the shaping of Government policies in the areas of Company's business.
4.	Governance including legal & restructuring compliance	Should have Commitment, belief and experience in setting corporate governance practices to support the Company's legal Compliance systems and Governance policies/practices.
5.	Expertise/ Experience in Finance & Accounts/ Audit/ Risk Management areas	Should be able to understand Financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/ Practices of the Company.

Core skills/expertise /competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board. The detailed Chart/ Matrix of such core skills/ expertise/ competencies along with the names of the Directors who possess such skills is given in the below table:

Table 4: Chart setting out Core Skills/ Expertise and Competencies of the Directors

S.no.	Name of the Director	Skills/ Expertise and Competencies				
		Management & Leadership Skills	Industry Knowledge and Experience	Experience and Exposure in policy shaping and industry advocacy	Governance including legal & restructuring compliance	Expertise/ Experience in Finance & Accounts/ Audit/ Risk Management areas
1.	Mr. Deepak Ambadas Thombre	✓	✓	-	-	✓
2.	Mr. Raj Kamal Saraogi	✓	-	-	✓	✓
3.	Mr. Chandra Narain Maheshwari	✓	✓	✓	✓	✓
4.	Mr. Sameer Nagpal	✓	✓	✓	✓	✓
5.	Ms. Rachna Gorla	✓	-	-	✓	✓

Meeting of Independent Directors and Familiarization Programme

Mr. Raj Kamal Saraogi and Mr. Deepak Thombre, have given their requisite declaration of independence in terms of Section 149(6) of the Act and rule 6(1) of the Companies (Appointment and Qualification of Directors) Rules 2014 and applicable SEBI Listing Regulation, as amended from time to time and as applicable for the time being in force. In the opinion of the Board, all the independent directors fulfil the conditions specified in these regulations and are independent of the management.

As per the requirement of Regulation 25 of SEBI Listing Regulations and Schedule IV of the Act, the Company, has conducted Independent Directors meeting on February 02, 2023 to review the performance of the Non-Independent Directors and the Board as a whole and assess the quality, quantity and timelines of flow of information between the management and the Board of the Company, that is necessary for the Board to effectively and reasonably perform its duties. The Company is regularly imparting familiarization programme for its Independent and Non- Executive Directors and the details of the same is disclosed at the website of the Company at www.dalmiaocl.com.

Information Supplied to the Board

The Board has complete access to all the information with the Company. The agenda and the papers for consideration of the Board are circulated well in advance. Adequate information including any important development connected with the business of the Company is circulated as part of agenda papers and also placed at the meeting to enable the Board to take informed decisions.

The Board periodically reviews compliance reports of prepared for all laws applicable on the Company, as well as steps taken by the Company for further strengthening the systems adopted to ensure compliance of all applicable laws. The Board has accepted all the recommendations made by its Committees during the year.

Remuneration of Directors

The Board has approved the remuneration payable to the

Details of remuneration paid to Directors during the financial year 2022-23

Name of the Directors	Category of directorship	Sitting Fees	Salary and Perquisites	Retirement Benefits	Commission	Total
Mr. Deepak Thombre	Independent	8.65	-	-	-	8.65
Mr. Raj Kamal Saraogi	Independent	8.35	-	-	-	8.35
Mr. Sameer Nagpal	Executive	-	2034*	-	-	2034*
Mr. Chandra Narain Maheshwari	Non-executive	-	-	-	-	-
Ms. Rachna Gorla	Non-executive	-	-	-	-	-

*This includes the yearly remuneration plus the one time special performance bonus paid

Details of the shares and convertible instruments held by the Directors as on March 31, 2023

Name of the Director	Category of directorship	Number of shares held in the company	No. of Convertible Instruments held in the company
Mr. Deepak Thombre	Independent Non-executive	Nil	Nil
Mr. Raj Kamal Saraogi	Independent Non-executive	Nil	Nil
Mr. Sameer Nagpal	Executive	Nil	Nil
Mr. Chandra Narain Maheshwari	Non-executive	695	Nil
Ms. Rachna Gorla	Non-executive	Nil	Nil

executive directors and non-executive directors of the Company such that the independent directors are entitled for the sitting fees for attending the Board and Committee meetings, as the case may be, and reimbursement of expenses incurred by them for undertaking their duties as directors of the Company.

In addition to above, the non-executive independent directors, apart from the sitting fees, are also eligible for commission of upto 1% of the net profit of the Company calculated in accordance with the provisions of the Act subject to the maximum commission of INR 10 lakhs in a financial year, which was approved by the shareholders of the Company in its annual general meeting held on September 27, 2022. The commission was approved by the Board in consultation with the Nomination and Remuneration Committee("NRC") of the Company and was paid in the month of April 2023.

There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the FY 2022-23.

III. Committees of the board

The Company has four Board-level committees – Audit

Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and the Corporate Social Responsibility Committee.

All decisions pertaining to the constitution of committees, appointment of members and fixing of terms of service for committee members are taken by the Board. Details on the role and composition of these committees are provided below:

a) Audit Committee

As on March 31, 2023, the audit committee of the Board comprises of three members namely Mr. Deepak Thombre, Mr. Raj Kamal Saraogi and Mr. Sameer Nagpal. The Committee comprises of qualified and independent members of the Board, who have expertise, knowledge and experience in the field of accounting and financial management. The scope, compliances, functions and composition of the committees met the requirement of section 177 of the Act and Regulation 18 of the SEBI Listing Regulations, as amended from time to time.

During the Year Under Review, the Audit committee met 9 times during the year 2022-23, i.e. on May 06, 2022, August 01, 2022, October 29, 2022 and November 19, 2022, February 02, 2023, March 10, 2023, March 24, 2023, March 28, 2023 and March 29, 2023. The time gap between any two meetings during the year was less than four months. The Chairman of the Audit committee was not able to attend the Annual General Meeting of the Company due to some personal reasons. Mr. Rajkamal Saraogi, member of the Audit committee was authorized by the Chairman of the Audit committee on his behalf to attend the Annual General Meeting of the Company held on September 27, 2022.

The composition of the Audit committee and the details of meetings attended by the Directors are given below:

Attendance Record of Audit committee during 2022-23

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. Deepak Thombre	Independent	Chairman	9	9
Mr. Raj Kamal Saraogi	Independent	Member	9	9
Mr. Sameer Nagpal	Executive	Member	9	9

The Board has accepted all the recommendations made by the audit committee. The statutory auditor and internal auditors are also regularly invited by the audit committee to discuss their comments and recommendation of accounts, internal controls and processes. The statutory auditors and internal auditors were present at all audit committee meetings held during the year, as required. The Chief Financial Officer is the permanent invitee to the meetings of the Committee. Ms. Meghna Saini, Company Secretary, is the Secretary of the Committee.

The audit committee has power to investigate any activity within its terms of reference, to seek information from any employee, to obtain outside legal or other professional advice and to secure attendance of outsiders with relevant expertise, if it considers necessary.

The role and terms of reference of the Audit committee covers all the areas prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

The Committee reviews the internal audit reports and action taken reports of the management thereupon. It also reviews and discusses with the management and statutory auditors, the quarterly results, financial statements and such other related issues before their submission to the Board.

The broad terms of reference of the Audit committee therefore include:

- oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the Auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters, etc.
- discussion with Internal Auditors of any significant findings and follow up there on
- discussion with internal auditors of any significant findings and follow up there on;
- to review the functioning of the Whistle Blower mechanism

The following information is reviewed by the Audit Committee:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

Fees paid to Statutory Auditors

The details of total fees paid to the Statutory Auditor with regard to services availed by the Company and its subsidiaries, on a consolidated basis in the financial year 2022-23 is disclosed in Note No. 26 of the consolidated financial statements of the Company.

b) Nomination and Remuneration Committee

As on March 31, 2023, the Nomination and Remuneration Committee ('NRC') of your Company comprises of three members namely Mr. Raj Kamal Saraogi, Mr. C.N. Maheshwari and Mr. Deepak Thombre. Ms. Meghna Saini, Company Secretary, is the Secretary of the Committee. The constitution, composition and functioning of the NRC meets the requirements of Section 178 of the Act, and Regulation 19 of the SEBI Listing Regulations, as amended from time to time.

During the Year Under Review, the NRC met five times during the year 2022-23, i.e. on May 06, 2022, August 01, 2022, November 26, 2022, February 02, 2023 and March 24, 2023. Mr. Rajkamal Saraogi, Chairman of the NRC was present at the Annual general Meeting of the Company held on September 27, 2022. The composition of the NRC and the details of meetings attended by the Directors are given below:

Attendance Record of Nomination and Remuneration Committee

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. Raj Kamal Saraogi	Independent	Chairman	5	5
Mr. Deepak Thombre	Independent	Member	5	5
Mr. C.N. Maheshwari	Non-Executive	Member	5	5

The terms of reference of NRC are:

The NRC is empowered and authorized by the Board, inter-alia, to do all such acts, deeds and things and to perform all such duties as may be required under the Companies Act, 2013 and rules thereunder and SEBI Listing Regulations, 2015, as may be amended / modified from time to time, and such other matters as may be referred to the NRC from time to time, including but not limited to:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, remuneration for the directors, key managerial personnel and other employees
- Devising a policy on diversity of Board
- Identifying persons who are qualified to become directors / independent directors in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Identifying and selecting potential individuals for appointment as key managerial personnel and to other senior management positions

- Review and evaluate the performance of the directors
- Administer, monitor and formulate detailed terms and conditions of the Employees Stock Option Scheme.

Performance Evaluation criteria

The Nomination and Remuneration Committee, as part of the Nomination and Remuneration Policy, has formulated criteria and specified the manner of effective evaluation of performance of the Board, its committees and individual directors to be carried out by the Board and effective evaluation of performance of key managerial personnel and senior management; and reviews its implementation and compliance.

During the financial year 2022-23, the performance evaluation of the Board and Committees of the Board was carried out by the Board. Further, the performance appraisal of independent directors will be done regularly on the basis of attendance, preparedness and participation in items of business to be discussed at the meetings of the Board and Committees and contribution in improving business performance, pro-active availability for Company's business purposes besides time devoted by them in Board meetings.

c) Stakeholders' Relationship Committee

As on March 31, 2023, the Stakeholders' Relationship Committee ('SRC') of your company comprises of three members namely Mr. Deepak Thombre, Mr. Sameer Nagpal and Ms. Rachna Gorla. The scope, constitution, composition and functioning of the Stakeholders Relationship Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulations, 2015, as amended from time to time.

During the Year Under Review, the SRC met once during the year 2022-23, i.e. on October 29, 2022. The Chairman of SRC was not able to attend the annual general meeting of the Company due to some personal reasons. Mr. C.N. Maheshwari was authorized by the Chairman of SRC on his behalf to attend the Annual General Meeting of the Company held on September 27, 2022.

The composition of the SRC and the details of meetings attended by the Directors are given below:

Attendance Record of Stakeholders' Relationship Committee during 2022-2023

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
Mr. Deepak Thombre	Independent	Chairman	1	1
Mr. Sameer Nagpal	Executive	Member	1	1
Ms. Rachna Gorla	Non-Executive	Member	1	-

The SRC specifically looks into issues relating to investors including share related matters and redressal of grievances

of security holders. The Company Secretary, is the compliance officer of the Company and responsible for ensuring compliance with the requirements of Securities Laws.

The role of the committee inter-alia includes the following:

- 1) Resolving the grievances of the security holders of the entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- 2) Review of measures taken for effective exercise of voting rights by shareholders;
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

During the year, complaints received from investors were resolved in time to the satisfaction of the concerned investors. Details regarding the same are given below:

Details of complaints from shareholders during 2022-2023

Nature of Complaint	Pending as on April 01, 2022	Received during the year	Answered during the year	Pending as in March 31, 2023
1. Transfer/Transmission/Duplicate	0	61	61	0
2. Non- receipt of dividend/interest/redemption warrant	0	163	163	0
3. Non- receipt of Annual Reports	0	0	0	0
4. Others	0	0	0	0
5. Complaints received from:	0	1	1	0
-Securities and Exchange Board of India	0	3	3	0
-Stock Exchanges - Registrar of Companies/Department of Corporate Affairs	0	0	0	0
Total	0	228	228	0

d) Corporate Social Responsibility Committee

As on March 31, 2023, the Corporate Social Responsibility Committee ('CSR') of your Company comprises of three members namely Mr. Sameer Nagpal, Mr. Deepak Thombre and Mr. C.N. Maheshwari. The constitution, composition and functioning of the CSR meets the requirements of Section 135 of the Companies Act 2013, read with the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time.

During the Year Under Review, the CSR met two times, i.e. on May 06, 2022 and August 01, 2022. The composition of the CSR and the details of meetings attended by the Directors are given in table (A).

The role of CSR Committee broadly includes the following:

- Formulate and recommend Corporate Social Respon-

(A): Attendance Record of Corporate Social Responsibility Committee during 2022-23

Name of Members	Category	Status	No. of Meetings	
			Held	Attended
1. Mr. Sameer Nagpal	Executive	Chairman	2	2
2. Mr. Deepak Thombre	Non-Executive	Member	2	2
3. Mr. C.N. Maheshwari	Independent	Member	2	2

sibility Policy ("CSR Policy") to the Board which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Act;

- Recommend the amount of expenditure to be incurred on activities to be undertaken by the Company in the areas or subject, specified on Schedule VII of the Act.
- Monitor the Corporate Social Responsibility Policy from time to time

The Board has adopted the CSR Policy as formulated and recommended by the CSR Committee. The CSR Policy is available on the website of the Company at www.dalmiaocl.com.

IV. GENERAL BODY MEETINGS

The Annual General Meetings ('AGMs') are usually held at the registered office of the Company. The Chairman/Member of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee attend the AGMs to respond to the queries of the shareholders. Also, the representatives of the Statutory Auditors and Secretarial Auditors attend the AGMs to respond to the queries of shareholders, if any, with respect to audit observation / matter of emphasis or otherwise. The representatives of the Registrar and Transfer Agent checks and verifies the attendance of members and Scrutinizer scrutinizes the voting and provides report thereon.

a.) Details of last three AGMs

Financial year	Date of AGM	Particulars	Location
2021-2022	27.09.2022	11:00 PM	Dalmiapuram, Tiruchirappalli District, Tamil Nadu

Financial year	Date of AGM	Particulars	Location
2020-2021	25.09.2021	11:00 PM	Dalmiapuram, Tiruchirappalli District, Tamil Nadu
2019-2020	23.09.2020	12.00 Noon	Dalmiapuram, Tiruchirappalli District, Tamil Nadu

b.) Special resolutions passed during the last three AGMs

Date of AGM	Particulars
27.09.2022	<ul style="list-style-type: none"> Appointment of Mr. Raj Kamal Saraogi as a Non-Executive Independent Director of the Company for a term of 5 consecutive years effective from March 24, 2022 Appointment of Mr. Sameer Nagpal (DIN: 06599230) as Managing Director & CEO of the Company for a period of 5 years with effect from March 01, 2022 Reinstatement, modification, substitution and adoption of new set of Articles of Association of the Company
25.09.2021	None
23.09.2020	None

c.) No Resolution was passed during financial year 2022-23 through postal ballot.

d.) As on the date of this report, no Special Resolution is proposed to be passed through Postal Ballot.

e.) During the year under review, the Company conducted an Extra Ordinary General Meeting of the members on December 21, 2022.

V. MEANS OF COMMUNICATION WITH SHAREHOLDERS

The Company had communicated the following:

a) Quarterly results

The unaudited quarterly & half yearly/ audited annual financial results of the Company prepared in the format prescribed by SEBI Listing Regulation, as amended from time to time are recommended by the Audit Committee and approved by the Board of Directors. The same are limited reviewed/ audited by the Statutory Auditors and are submitted to the Stock Exchanges, on which the shares of the Company are listed, i.e., Metropolitan Stock Exchange of India Ltd (MSEI) and Calcutta Stock Exchange Limited (CSE), within a period of 45 days of the close of every quarter and within a period of 60 days in case of annual financial results.

However, since the Company got its listing approval with effect from September 20, 2022, the results for the quarter ended September 30, 2022 onwards were submitted with the stock exchanges as per prescribed timelines.

The approved financial results are normally published in

Financial Express, i.e., the English language national daily newspaper circulating in the whole or substantially the whole of India and in *Makkal Kural*, i.e., the daily newspaper published in the language of the region where the registered office of the Company is situated, i.e., Tamil in accordance with the provision of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The financial results are also posted on the website of the Company, i.e., www.dalmiaoel.com. and all material information about the Company and documents under the SEBI Listing Regulations are also communicated to the concerned Stock Exchanges, besides being placed on the Company's website.

b) Disclosures

The data related to quarterly shareholding pattern, investors complaint report, corporate governance report and other disclosures as per SEBI Listing Regulations, as amended from time to time, are also filed electronically on My Listing Portal of MSEI and the website of the Company, as may be required, within the time frame prescribed in this regard.

VI. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting

The annual general meeting of the Company is scheduled to be held on Monday, July 31, 2023 at 11:00 A.M. at the Registered Office of the Company at Dalmiapuram, P.O. Kallakudi -621 651, Distt. Tiruchirappalli, Tamil Nadu.

The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, July 28, 2023 to Monday, July 31, 2023 (both days inclusive) for the purpose of Annual General Meeting.

b) Financial year

The financial year of the Company is from April 01, 2022 to March 31, 2023.

c) Dividend Payment

The Board of Director at its meeting held on April 21, 2023 has recommended a dividend of Re. 1.50/- (15 %) per equity share of face value of Rs. 10/- each for the financial year 2022-23 and the same shall be paid to the members of the Company whose names appear in the Register of Members of the Company as on the date of commencement of the Book Closure for the purposes of payment of dividend.

The dividend will be paid after the approval of the shareholders at Annual General Meeting and it will be paid within a period of thirty days from the date of declaration by the shareholders at the AGM.

The dividend shall be paid through any of the electronic mode of payment facility as approved by the Reserve Bank of India. However, where it is not possible to use electronic mode of payment, Demand Drafts shall be issued.

The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, July 28, 2023 to Monday, July 31, 2023 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended March 31, 2023.

d) Disclosures with respect to Unpaid/ Unclaimed Dividend and Shares

Pursuant to provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended from time to time, if any dividend is not claimed for a consecutive period of 7 years from the date of transfer of the total amount of dividend which remained unpaid or unclaimed to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF") established under sub-section (1) of section 125 of the Act.

Further, the shares in respect of above unpaid or unclaimed dividend for a period of 7 consecutive years, are also liable to be transferred to the Demat Account of IEPF Authority in pursuance to the provisions of the Act read with its Rules made thereunder.

In this regard, the Company has sent periodical reminders by sending notice individually and also by publishing the same in newspaper. The list of unclaimed dividend and shareholders whose shares are liable to be transferred to the IEPF Authority, were also placed on the website of the Company in the interest of the shareholders, in order to avoid transfer of dividend/shares to said Authority.

In view of the above, during the financial year ended on March 31, 2023 the Company has transferred Rs. 83,126/- to IEPF Authority i.e. the amount of unclaimed dividends outstanding for a consecutive period of 7 years. And further during the period, 79,417 equity shares of the Company were credited to the Demat Account of IEPF Authority with respect to those shareholders of which dividend had remained unclaimed for seven consecutive years.

e) Listing of Securities

The Company obtained listing approvals from Metropolitan Stock Exchange of India Limited and Calcutta Stock Exchange with effect from September 20, 2022 and October 25, 2022 respectively.

Pursuant to the above approvals, the equity shares of the Company are listed on the following stock exchanges:

- a) Metropolitan Stock Exchange of India Limited
Vibgyor Towers, 4th floor, Plot No C 62,

G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098

- b) Calcutta Stock Exchange
7, Lyons Range, Kolkata – 700 001

Stock Codes of the Company

Metropolitan Stock Exchange of India Limited:
DALMIARF
ISIN: INE0EB001012

The Company has paid the annual listing fees for FY 2023-24 to Metropolitan Stock Exchange of India. However, the Company is awaiting instructions from Calcutta Stock Exchange for the same. The payment will be made as and when instructions shall be received by the Company.

f) Stock Market Data

The Company was listed during the last financial year, accordingly the last traded price of equity share was Rs. 159.50 on March 24, 2023 at Metropolitan stock exchange.

g) Registrar and Transfer Agent

KFin Technologies Limited
Unit- Dalmia Bharat Refractories Limited
Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Tel No: 1800 309 4001; WhatsApp Number: (91)9100094099; Email: einward.ris@kfintech.com; website: www.kfintech.com

All activities in relation to the share transfer facility are maintained by the Registrar and Share Transfer Agent. All the correspondences relating to share transfer, transmission, dematerialization, re-materialization etc. can be made at the aforementioned address.

h) Share Transfer System and dematerialization of shares and liquidity

The Company has provided demat facility to its shareholders with National Securities Depository Limited as well as Central Depository Services Limited.

As on March 31, 2023, 97.88% of the equity shares of the Company are in the dematerialized form. The promoters of the Company hold their entire shareholding in dematerialized form.

During the financial year 2022-23, except in case of transmission or transposition of shares, requests for effecting transfer of shares were not processed unless shares were held in the dematerialized form with a depository, in compliance with applicable provisions of SEBI Listing Regulations.

Under the dematerialised system, the shareholder can approach a Depository Participant (DP) for getting his/her shares converted from physical form to dematerialised form. The DP will generate a request for the dematerial-

isation, which will be sent by him to the Company's Registrars and Share Transfer Agents. On receipt of the same the shares will be dematerialised.

A summary of transfer and transmission of shares and the reconciliation of share capital audit report issued by Manish Ghia & Associates, the Practicing Company Secretary was presented before the Board of the Company.

i) Unclaimed Suspense Account

In terms of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company has opened a demat Unclaimed Suspense account. However, there are no shares in the said account as on March 31, 2023.

j) Distribution of Shareholding of the Company

The distribution of the shareholding of the equity shares of the Company by size and by ownership as on March 31, 2023 are given below:

k) Outstanding GDRs/ADRs/Warrants or any convertible instruments

Shareholding Pattern by size

S. No	Category (Amount)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1-500	2084	62.60	607,215	1.37
2	501- 1000	489	14.69	359,561	0.81
3	1001- 2000	325	9.76	489,855	1.11
4	2001- 3000	154	4.63	368,079	0.83
5	3001- 4000	98	2.94	341,821	0.77
6	4001- 5000	49	1.47	222,951	0.50
7	5001- 10000	57	1.71	412,027	0.93
8	10001-20000	35	1.05	493,889	1.12
9	20001 & Above	38	1.14	409,04,709	92.54
	Total:	3329	100.00	44,200,107	100.00

Shareholding Pattern by ownership

Particulars	No. of Shareholders	No. of Shares held	% of Shareholding
Promoter Group	16	3,31,47,379	74.99
Resident Individuals	3184	70,62,044	15.98
Bodies Corporate	49	27,79,471	6.29
Directors & their relatives	7	3,383	0.01
IEPF	1	9,42,402	2.13
H.U.F.	43	84,130	0.19
Non-Resident Indians	2	3,072	0.01
Non-Resident Indian Non Repatriable	15	22,574	0.05
Banks	9	5,218	0.01

Particulars	No. of Shareholders	No. of Shares held	% of Shareholding
Trusts	2	1,50,384	0.34
Clearing Members	1	50	0
Total	3329	4,42,00,107	100.00

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments, hence this section is not applicable to the Company.

l) Commodity Price Risk or Foreign Exchange Risk and hedging activities

The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. The details of foreign currency exposure and hedging are disclosed in note no. 44 to the standalone financial statements.

m) Details of Plant Locations and Address for Correspondence

n) Website

The Company has a functional website i.e. www.dalmia-ocl.com that contains relevant information updated from time to time in compliance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S. No	Particulars	
1	Registered Office Address:	Dalmia Bharat Refractories Limited Dalmiapuram, P.O. Kallakudi-621651 Dist. Tiruchirapalli, Tamil Nadu Ph: 04329-235133/144/1 55
2	Head Office - Correspondence Address	Dalmia Bharat Refractories Limited 4, Scindia House, Connaught Place, New Delhi-110001 Ph: 011-23457100

ocl.com that contains relevant information updated from time to time in compliance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

o) Credit Rating

During the period under review, CARE (CARE Ratings Limited) has given the following credit rating to the Company with respect to the various facilities availed by the Company from Banks:

- CARE AA- was assigned under credit watch with positive implications for long term facilities and
- CARE A1+ was assigned under credit watch with positive implications for short term facilities.

VII. DISCLOSURES

a) Related Party Transaction

As on March 31, 2023, all related party transactions are approved by the Audit committee. There are no materially significant related party transactions which may have po-

tential conflict with the interests of the Company at large.

The weblink to access the Company's Policy on Related Party Transactions is <https://www.dalmiaocl.com/documents/RPT-Policy.pdf>

b) Policy on Material Subsidiaries

The Company's Policy on Material Subsidiaries is posted at <https://www.dalmiaocl.com/documents/Material-Subsidiary-Policy.pdf>

As on March 31, 2023, Dalmia GSB Refractories GmbH is the material subsidiary of the Company.

The Audit committee and the Board periodically reviews the financial performance of the subsidiary company and the quarterly financial results and annual financial statements are placed before the Audit committee and Board meetings of the Company. The minutes of meetings of the Board of Directors of the subsidiary company are placed before the Board meeting of the Company. Statement of all significant transactions and arrangements entered into by subsidiaries is brought to the notice of the Board of Directors of the Company.

c) Details of Non-Compliance by the Company

The Company have complied with the regulatory requirements on capital markets and there were no instances of non-compliance and no penalties/ strictures have been imposed against it by the Stock Exchanges, SEBI or any other authority on any matter related to capital markets during last three years.

There has been no non-compliance of any requirements of corporate governance report prescribed under sub paras (2) to (10) of para (C) of Schedule V of SEBI Listing Regulations.

d) Whistle Blower Policy

The Company has an established mechanism for Directors, Employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud, or violation of the code of conduct. It also provides for adequate safeguards against victimization of directors/ employees who avail of the mechanism. The Company affirms that no personnel have been denied access to the audit committee to lodge their grievances. The weblink of Company's policy on Whistle Blower and Vigil Mechanism is https://www.dalmiaocl.com/documents/Whistle_Blower_Policy.pdf

e) Compliance

Mandatory requirements:

The Company had complied with the applicable mandatory requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations.

The company has obtained the compliance certificate from Practicing Company Secretary with regard to the compliances of the provisions relating to corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR) Regulation, 2015, as amended from time to time. This certificate is annexed to this Report.

Discretionary Requirements

The discretionary/non-mandatory requirements, as stipulated in Regulation 27(1) read with Part E of Schedule II of the SEBI (LODR) Regulations, other than the half-yearly declaration of financial performance to shareholders, have been adopted by the Company.

- The non-executive chairman is entitled to maintain a chairman's office at the Company's expense and is provided reimbursement of expenses incurred in performance of his duties.
- The financial statements of the company are with unmodified audit opinion.
- The internal auditor reports directly to the Audit committee

f) Disclosure of Accounting Treatment in Preparation of Financial Statements

The Company has followed the guidelines of Ind AS specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Amendment Rules, 2015 as amended/ laid down by the Central Government under the provisions of section 129(1) of the Companies Act, 2013 in the preparation of its standalone and consolidated financial statements.

g) Code for Prevention of Insider-Trading Practices

In compliance with the SEBI regulations, on prevention of insider trading, the Company has instituted a comprehensive code of conduct for designated persons and their relatives as defined under the code. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of Company, and cautioning them of the consequences of violations.

h) Disclosure of Complaints filed under Sexual Harassment Act

The Company is committed to create a workplace free from harassment and discrimination, where co-workers are respected, and provided an appropriate environment so as to encourage good performance and conduct.

The Company has in place a policy against sexual harassment of women. As disclosed in the Board Report, during the year no case of sexual harassment was filed in the Company in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal)

Act, 2013.

i) Details of utilization of funds raised through preferential allotment or qualified institutions placement

No funds have been raised by the Company through preferential allotment or qualified institutions placement in the last three years.

VIII. CODE OF CONDUCT

The Company's Board has laid down a code of conduct for all its board members and designated senior management of the Company. The Code is available on the website of the Company at <https://www.dalmiaocl.com/documents/3-code-conduct.pdf>. The Code of Conduct has been circulated to all board members and senior management personnel and they have affirmed the compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of this report.

IX CEO/CFO CERTIFICATION

In terms of Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in the absence of the CFO as on March 31, 2023, the certification by the Managing Director & CEO on the financial statements and internal controls relating to financial reporting has been obtained, and placed before the Board, in their meeting held on April 21, 2023. A copy of the said certificate is enclosed at the end of the report.

CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members
DALMIA BHARAT REFRACTORIES LIMITED
CIN: L26100TN2006PLC061254
DALMIAPURAM
TAMIL NADU 621651

I have examined the compliance of the conditions of Corporate Governance by DALMIA BHARAT REFRACTORIES LIMITED ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company, for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023.

I 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.

Place: New Delhi
Date: 13/06/2023

NC Khanna
Company Secretary in Practice
CP No. 5143
UDIN:- F004268E000483692

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

To
The Members
DALMIA BHARAT REFRACTORIES LIMITED
CIN: L26100TN2006PLC061254
DALMIAPURAM
TAMIL NADU 621651

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DALMIA BHARAT REFRACTORIES LIMITED, (CIN L26100TN2006PLC061254), registered office DALMIAPURAM TAMIL NADU 621651 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st, March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of appointment in Company
1.	CHANDRA NARAIN MAHESHWARI**	00125680	Director	October 22, 2021
2.	RAJ KAMAL SARAOGI	00523247	Non-Executive Independent Director	March 24, 2022
3.	DEEPAK THOMBRE	02421599	Non-Executive Independent Director	February 9, 2022
4.	SAMEER NAGPAL*	06599230	Managing Director & CEO	March 1, 2022
5.	RACHNA GORIA	07148351	Non-Executive Director	October 26, 2017

*Further, on May 05, 2023, Mr. Sameer Nagpal has resigned from the position of Managing Director & CEO of the Company, however he will continue on the Board of the Company as the Non- Executive Director.

**Mr. Chandra Narain Maheshwari was appointed as the Whole Time Director & CEO of the Company with effect from May 06, 2023 subject to the approval of shareholder in the ensuing annual general meeting.

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

Date: 14/06/2023
Place: New Delhi

N.C.KHANNA
Company Secretary in practice
C.P. No. : 5143
UDIN: F004268E000485463

CEO/CFO CERTIFICATE

To
The Board of Directors,
Dalmia Bharat Refractories Limited

Dear Sirs,

As required under Regulation 34(3) read with Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the members of the Board of Directors of the Company and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2023.

Place: New Delhi
Date: April 21, 2023

Sameer Nagpal
Managing Director & CEO

CERTIFICATE ON FINANCIALS - CEO

To
The Board of Directors,
Dalmia Bharat Refractories Limited

Dear Sirs,

1. We have reviewed the audited financial statements for the quarter and year ended March 31, 2023 and certify that to the best of our knowledge and belief that these results do not contain any materially untrue statement or omit any material fact or contain Statements that might be misleading.
2. We further certify that, to the best of our knowledge and belief, no transactions have been entered into by the Company during the year, which are fraudulent, illegal or violative of the company's code of conduct, if any.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control systems over financial reporting.

For and on behalf of
Dalmia Bharat Refractories Limited

Sameer Nagpal
Managing Director & CEO

Place: New Delhi
Date: April 21, 2023

Place: New Delhi
Date: April 21, 2023

STANDALONE FINANCIAL STATEMENT



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DALMIA BHARAT REFRACTORIES LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **DALMIA BHARAT REFRACTORIES LIMITED** ("the Company"), which comprise the standalone balance sheet as at 31st March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards

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

Key Audit Matter

Key audit matter are that matter that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31st March 2023. This matter were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Information other than the Financial Statements and Auditor's Report Thereon

Key Audit Matter	How our audit addressed the key audit matter
Transfer of Company's business undertakings engaged in the refractories business	
<p>The Board of Directors and Shareholders of Dalmia Bharat Refractories Limited ("DBRL", "the Company") in its meeting held on 19th November, 2022 and extra-ordinary general meeting held on 21st December, 2022, respectively, has approved the transfer of its Refractory Business in India to RHI Magnesita India Ltd ("RHI").</p> <p>As per Business Transfer Agreement (BTA) dated 19th November, 2022, the Company transferred its entire Indian Refractory Business, on closing date, on going concern basis to its wholly owned subsidiary company, Dalmia OCL Limited at an agreed consideration of Rs. 2,191.85 Crore. The above said consideration is settled by way of allotment of 8,24,83,642 equity shares of Dalmia OCL Limited to the Company, at a price of Rs. 207.04 /- per share, aggregating to Rs. 1,707.76 Crore and cash consideration including the closing adjustments in net working capital and debt adjustments.</p> <p>The transfer of business is concluded on 04th January, 2023. The Company has derecognized total assets and liabilities of Rs. 974.69 Crore and Rs. 578.23 Crore, respectively. Gain on disposal (net of expenses) of refractory business pursuant to BTA amounting to Rs. 1763.35 Crore has been accounted in the statement of profit</p>	<p>Our audit procedures includes the followings:</p> <ul style="list-style-type: none">Performed inquiry procedures with the key managerial persons of the Company with reference to above said transfer.Obtained and read the minutes of board of directors and shareholders, business transfer agreement (BTA) and amendments thereto, share swap agreement, for transfer of its refractory business.Understanding the process followed by the Company for the accounting treatment of pursuant to the BTA.Evaluating whether the measurement, recognition and disclosure of the said transaction is in line with the applicable Indian Accounting Standards.Assessing whether the accounting entries recorded in the books is in line with the accounting treatment assessed above, including the arithmetical accuracy of the same.Review of disclosures provided in the financial statements in this regard. <p>(Refer note 32 to the standalone financial statements)</p>

and loss for the year ended 31st March 2023 and presented as exceptional item.

As accounting for transfer of assets and liabilities and recognition of gain on business transfer is material item and significant event during the year ended 31st March 2023 for the Company, we considered it to be a key audit matter.

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the financial statements and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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. 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 implementation and maintenance of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.*
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.*
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that*

a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it

appears from our examination of those books;

- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- (g) In our opinion, the managerial remuneration for the year ended 31st March, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 34 to the standalone financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) Management has represented to us that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on our audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

(v) The final dividend paid by the Company during the year which was declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note no 42 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

(vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm’s Registration No. 101720W/W100355

Vijay Napawaliya

Partner

Membership No. 109859

Place: New Delhi

UDIN: 23109859BGXRTN9107 Date: 21st April, 2023

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its property, plant and equipment:

a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment on the basis of available information.

(B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.

b. The property, plant and equipment are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the management during the year and no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and the records examined by us, title deeds in respect of immovable properties disclosed as Property, Plant & Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the financial statements are in the name of the Company, except following properties:

Description of Property	Gross carrying value (Rs. in crores)	Held in the name of	Whether promoter, director or their relative or Employee	Period held	Reason for not being in the name of Company
Freehold land	12.28	Dalmia Cement Bharat Limited	Promoter	01/04/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. The Company is in the process of transferring the property in its name.
Freehold land	19.27	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	01/04/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. The Company is in the process of transferring the property in its name.
Freehold land	21.25	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	01/04/2020	
Building	0.21	Dalmia Cement Bharat Limited	Promoter	01/04/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. The Company is in the process of transferring the property in its name.
Investment Property	0.21	OCL India Limited	Title Deed Holder is the demerged company	01/04/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. The Company is in the process of transferring the property in its name.

d. According to information and explanations given to us and books of accounts and records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e. According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

- (ii) a. As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.
- b. As per the information and explanation given to us and examination of books of accounts and other records produced before us, in our opinion quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company.
- (iii) In respect of investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to companies, firms, Limited Liability Partnerships or any other parties:
- a. As per the information and explanations given to us and books of accounts and records examined by us, during the year Company has not provided any guarantee or security or has not granted any advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other entities except as mentioned below:-

(Rs. In Crore)

	Guarantees	Loans
Aggregate amount granted / provided during the year		
- Subsidiaries	-	-
- Others	-	0.09
Balance outstanding as at balance sheet date in respect of above cases		
- Subsidiaries	80.00	-
- Others	-	0.53

- b. In our opinion and according to information and explanations given to us and on the basis of our audit procedures, the investments made, guarantee provided and the terms and conditions of all loans and advances in the nature of loans are, prima facie, not prejudicial to Company's interest. The Company has not given any security.
- c. According to the books of accounts and records examined by us in respect of the loans and advances in the nature of loans, where the schedule of repayment of principal and payment of interest has been stipulated, the repayments or receipts are generally regular. These Loans are interest free.
- d. According to the books of accounts and records examined by us in respect of the loans, there is no amount overdue for more than ninety days.
- e. In our opinion and according to information and explanation given and the books of accounts and records examined by us, loans granted which have fallen due during the year have not been renewed or extended and no fresh loans have been granted to settle the over dues of existing loans given to the same parties.
- f. In our opinion and according to information and explanation given and records examined by us, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act. The Company has not given any security.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) a. According to the records of the Company examined by us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have generally been regularly deposited with appropriate authorities except payment of advance income tax. In respect of advance income tax, during the year, the Company has not deposited the sum due and amount involved is Rs. 425.50 Crore. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as 31st March, 2023 for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute except as mentioned below:-

Description of Property	Nature Of Dues	Amount in Rs. Crore*	Period to which amount is relate (FY)	Period held
Mines And Minerals (Development and Regulation) Act, 1957	Royalty	3.00	2010-11	Jabalpur High court
The M. P. Land Revenue Code, 1959	Royalty	5.99	2010-11	Jabalpur High court
The Mineral Concession Rules, 1960	Royalty	3.11	2015-16	Collector, Mandla
The Gujarat Mineral (Prevention of Illegal Mining and Transportation and Storage) Rules, 2005	Royalty	72.23	2016-17	Additional Commissioner of Geology & Mines, Gandhinagar

*Net of amount paid

(vii) According to the information and explanations given to us and representation given to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.

(viii) a. In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. In our opinion, and according to the information and explanations given and records examined by us, the company has not raised any money by way of term loan during the year.

d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that, prima facie, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.

e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associates or joint ventures.

f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any joint ventures or associate companies.

(ix) a. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.

b. In our opinion and according to the information and explanations given to us and on the basis of our audit procedures, the Company has not made any preferential allotment of shares or fully or partly or optionally convertible debentures during the year.

(x) a. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

b. According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act

has been filed by auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- c. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xi) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xii) The Company has entered into transactions with related parties in compliance with provisions Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiii)a. In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date, for the period under audit.
- (xiv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them. Therefore the provisions of clause 3 (xv) of the order are not applicable to the Company.
- (xv) a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b. In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.
- c. In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. In our opinion, and according to the information and explanations provided to us, the Group has 4 Core Investment Company (CIC).
- (xvi) In our opinion, and according to the information and explanations provided to us, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xvii) There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.
- (xviii) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xix) According to the information and explanations given to us, the requirements with respect to CSR contribution under section 135 of the Act is not applicable to the Company during the year.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm's Registration No. 101720W/W100355

Vijay Napawaliya

Partner

Membership No. 109859

UDIN: 23109859BGXRTN9107

Place: New Delhi

Date: 21st April, 2023

ANNEXURE B

To the independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of DALMIA BHARAT REFRACTORIES LIMITED ("the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements 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 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 internal financial controls with reference to standalone financial statements of the Company 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") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, based on the internal control with reference to financial statements 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 ICAI.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm's Registration No. 101720W/W100355

Vijay Napawaliya

Partner

Membership No. 109859

UDIN: 23109859BGXRTN9107

Place: New Delhi

Date: 21st April, 2023

Dalmia Bharat Refractories Limited
Standalone Balance Sheet as at March 31, 2023

(Rs. in crore)

Particulars	Note No.	As at March 31, 2023	For the year ended March 31, 2022
ASSETS			
Non - current assets			
(a) Property, plant and equipment	4	53.45	194.53
(b) Right of use assets	4	3.47	5.06
(c) Investment property	4	0.21	0.21
(d) Capital work - in - progress	4b	0.02	21.81
(e) Other intangible assets	4	0.01	125.78
(f) Intangible assets under development	4c	-	8.24
(g) Financial assets			
(i) Investments	5.1	1,935.76	315.38
(ii) Loans	5.2	0.38	0.62
(h) Deferred tax assets (net)	14	13.59	-
(i) Other non-current assets	6	-	0.30
Total non-current assets		2,006.88	671.94
Current assets			
(a) Inventories	7	35.53	341.04
(b) Financial assets			
(i) Investments	8.1	510.11	-
(i) Trade receivables	8.2	106.53	279.45
(ii) Cash and cash equivalents	8.3	10.14	4.38
(iii) Bank balances other than (ii) above	8.4	88.17	2.02
(iv) Loans	8.5	0.15	0.23
(v) Other financial assets	8.6	116.81	3.51
(c) Current tax assets (net)	9	-	17.73
(d) Other current assets	10	13.99	25.58
Total current assets		881.44	673.94
Assets classified as held for sale		-	0.33
Total assets		2,888.32	1,346.20
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11.1	44.20	44.20
(b) Other equity	11.2	2,155.12	847.10
Total equity		2,199.32	891.30
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	12	0.48	1.54
(b) Provisions	13	9.28	19.70
(c) Deferred tax liabilities (net)	14	-	17.27
Total non-current liabilities		9.76	38.51
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15.1	-	46.14
(ii) Lease liabilities	12	0.26	0.80
(iii) Trade payables			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	15.2	0.01	22.78
(b) Total outstanding dues of other than Micro Enterprises and Small Enterprises	15.2	167.50	269.80
(iv) Other financial liabilities	15.3	11.01	2.37
(b) Current tax liabilities (net)	16	406.50	-
(c) Other current liabilities	17	19.81	58.31
(d) Provisions	18	74.15	16.19
Total current liabilities		679.24	416.39
Total equity & liabilities		2,888.32	1,346.20

See accompanying notes to the financial statements

As per our report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

For and on behalf of the Board of Directors

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21, 2023

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi

Dalmia Bharat Refractories Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in crore)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022*
ASSETS			
Continuing operation			
Income			
I Revenue from operations	19	93.53	89.64
II Other income	20	9.16	1.30
III Total income (I + II)		102.69	90.94
IV Expenses			
Purchase of stock-in-trade	21	79.63	65.56
Change in inventories of finished goods and work-in-progress	22	(10.84)	-
Employee benefits expense	23	26.47	6.59
Finance costs	24	8.95	0.07
Depreciation, amortisation and impairment	25	27.33	0.40
Other expenses	26	7.31	1.84
Total expenses		138.83	74.46
V (Loss)/Profit for the year before tax from continuing operations (III-IV)		(36.14)	16.47
VI Exceptional Items	27	1,763.35	-
VII Profit from ordinary activities before tax		1,727.20	16.47
VIII Tax expense/(benefit)	28		
(1) Current tax		423.60	3.59
(2) Deferred tax		(15.14)	-
		408.46	3.59
IX Net Profit for the year after tax from continuing operations (VII - VIII)		1,318.74	12.87
Discontinued operation			
(Loss) before tax from discontinued operation	32	(57.32)	(2.33)
Exceptional Items		26.39	-
Tax expense/ (credit) on discontinued operation		0.99	(0.83)
Net (loss) for the year from discontinued operation		(31.92)	(1.50)
X Profit for the year		1,286.82	11.37
XI Other comprehensive income			
Items that will not be reclassified to profit or loss			
Fair Value of Equity Instrument	29	27.15	(7.69)
Income Tax relating to fair valuation of investments		(2.77)	(0.75)
Re-measurement of defined benefit plans		(1.29)	0.19
Income tax relating to re-measurement of defined benefit obligation		0.33	(0.05)
		23.40	(8.30)
XII Total comprehensive income for the year (X + XI)		1,310.23	3.06
XIII Earning/(Loss) per equity share			
Nominal value of equity shares (Rs 10.00 each)			
(1) Basic and Diluted Earnings Per Share (Rupees)- Continuing operations	30	298.37	2.91
(2) Basic and Diluted Earnings Per Share (Rupees)- Discontinued operation		(7.22)	(0.34)
(3) Basic and Diluted Earnings Per Share (Rupees)- Continuing and discontinued operations		291.14	2.58
* Restated (Refer Note 32)			

See accompanying notes to the financial statements

As per our report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Regn. No.: 101720W/W100355

Vijay Napawaliya

Partner

Membership No.: 109859

Place : New Delhi

Date : April 21, 2023

Deepak Thombre

Chairman

DIN: 02421599

Place : Pune

Sameer Nagpal

Managing Director

DIN: 06599230

Place : New Delhi

Rahul Sahni

Chief Financial Officer

Place : New Delhi

Meghna Saini

Company Secretary

Place : New Delhi

Dalmia Bharat Refractories Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023

(a) Equity Share Capital

(Rs. in crore)

Balance of Equity Share Capital	As at 1 April 2021	Changes during the year	As at 31 March 2022	Changes during the year	As at March 31 2023
	0.07	44.13	44.20	-	44.20

(b) Other equity

(Rs. in crore)

Particulars	Reserves and Surplus				Items of other comprehensive		Total
	Securities Premium	Capital reserve	Retained earnings	Share Based Payments Reserve	Equity instruments through other comprehensive income	Complusory convertible debenture	
As at 1 April 2021	530.21	35.80	(14.45)	0.76	75.80	225.00	853.11
Movement during FY 21-22							
Dividend	-	-	(0.32)	-	-	-	(0.32)
Employee share-based payment expense	-	-	-	0.55	-	-	0.55
Equity shares allotted pursuant to scheme 2 (ESOP)	3.77	-	-	(1.31)	-	(225.00)	(222.54)
Shares allotted pursuant to the conversion of CCD to equity shares	213.21	-	-	-	-	-	213.22
Profit/(loss) for the year	-	-	11.38	-	-	-	11.38
Other comprehensive income	-	-	0.14	-	(8.44)	-	(8.30)
As at 31 March 2022	747.19	35.80	(3.25)	-	67.36	-	847.10
Movement during FY 22-23							
Dividend	-	-	(2.21)	-	-	-	(2.21)
Profit/(loss) for the year	-	-	1,286.82	-	-	-	1,286.82
Other comprehensive income	-	-	(0.97)	-	24.38	-	23.41
As at 31 March 2023	747.19	35.80	1,280.39	-	91.74	-	2,155.12

For and on behalf of the Board of Directors

As per our report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21, 2023

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi

Dalmia Bharat Refractories Limited
Standalone statement of cash flows for the year ended March 31, 2023

(Rs. in crore)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities :		
Profit/ (loss) before tax from ordinary activities before exceptional items		
-Continuing operations	(36.14)	16.47
-Discontinuing operations	(30.94)	(2.33)
Profit/(Loss) before taxation and before exceptional items	(67.08)	14.14
Exceptional items	1,763.35	-
Profit/(Loss) before taxation	1,696.26	14.14
Adjustments for :		
Employee share based payment expenses	-	0.55
Depreciation and amortisation expense	36.80	37.78
Impairment of intangible assets	25.00	-
Bad debts	0.34	2.51
Rates and taxes	72.20	-
Provision for warranty	15.63	2.28
Finance cost	13.30	5.96
Interest income	(7.30)	(1.76)
Dividend income	(0.57)	(0.34)
Corporate guarantee income	(0.06)	(0.81)
Gain on Slump Sale	(1,763.35)	-
Gain on investments carried at fair value through statement of profit and loss	(1.23)	-
(Profit) / loss on sale of property, plant and equipment	(0.26)	0.13
Miscellaneous provision written back	-	(3.46)
Operating profit before working capital changes	86.78	56.98
Working capital adjustments		
Decrease/(Increase) in inventories	(62.60)	(123.07)
Decrease/(Increase) in trade receivables	(24.45)	(96.97)
Decrease/(Increase) in loans	0.04	(0.51)
Decrease/(Increase) in other financial assets	(117.15)	58.65
Decrease/(Increase) in other assets	(19.49)	(4.49)
(Decrease)/Increase in trade payables	194.82	126.50
(Decrease)/Increase in other financial liabilities	0.07	(13.97)
(Decrease)/Increase in provisions	(17.90)	1.04
(Decrease)/Increase in other liabilities	(0.08)	35.86
Cash generated/(used) from operations	(46.74)	(16.95)
Income taxes paid (net)	(18.85)	(15.21)
Net cash flow generated from operating activities	21.19	24.82
C Cash flow from investing activities		
Purchase of property, plant, equipment and intangible assets	(16.90)	(39.93)
Proceeds from sale of property, plant and equipment	2.40	-
Interest income	7.36	1.76
Dividend income	0.57	0.34
Investment in subsidiary	(0.02)	-
Purchase of current investments	(1,075.00)	-
Proceed from sale of current investments	651.22	-
Other bank balances	(86.26)	0.38
Proceeds from assets held for disposal	-	0.56
Proceeds on slump sale of business	393.29	-
Net cash flow generated from investing activities	(123.35)	(36.89)
D Cash flows from financing activities		
Proceeds from issue of equity shares	-	2.47
Dividend paid	(2.21)	(0.32)
Proceeds/(Repayment) of borrowings (net)	115.63	6.64
Repayment of lease liability	(1.40)	(1.25)
Interest paid	(4.09)	(5.96)
Net cash flow generated from financing activities	107.93	1.58
Net increase/(decrease) in cash and cash equivalents	5.77	(10.49)
Cash and cash equivalents at the beginning of the year	4.38	14.87
Cash and cash equivalents at the end of the year	10.14	4.38
	5.77	(10.49)

Dalmia Bharat Refractories Limited**Standalone statement of cash flows for the year ended March 31, 2023**

Components of cash and cash equivalents	31 March 2023	31 March 2022
Balances with banks in current accounts	10.14	4.38
Gold coins, silver coins and stamps (current year Rs. Nil & previous year Rs. 19,849.00)	-	0.00
Net cash and cash equivalent	10.14	4.38

Changes in Liabilities arising from Financing Activities

Particulars	As at 1 April 2022	Cash flows	Non cash*	As at 31 March 2023
Borrowings - Current (Refer note 15.1)	46.14	115.63	(161.78)	-

* Non cash items represents borrowing transferred in slump sale (refer note 32).

Particulars	As at 1 April 2021	Cash flows	Non cash	As at 31 March 2022
Borrowings - Current (Refer note 15.1)	39.50	6.64	-	46.14

Notes:

- The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 – Statement of Cash Flows.
- During the year the Company has transfer its Refractory Business in India to RHI Magnesita India Ltd ("RHI") against which Cash Consideration of Rs. 393.29 crore have been received and same is disclosed under investing activities. Non-cash portion of business acquisitions is excluded from a statement of cash flows (Refer note 32).

As per our report of even date attached

For and on behalf of the Board of Directors

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21, 2023

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi

(Currency: Indian Rupees in crores)

1 Corporate information

Dalmia Bharat Refractories Limited ('DBRL' or 'the Company') was incorporated under the provisions of Companies Act 2013 applicable in India (erstwhile Companies Act, 1956). The Company is engaged in the business of refractory manufacturing and selling. It produces refractory bricks, castables, pre-cast shapes like lances, snorkels, other refractory products and supplying to core industries namely cement, steel and others. The registered office of the Company is located at Dalmiapuram, P.O. Kallakudi - 621651, Dist. Tiruchirapalli, Tamil Nadu.

The Board of Directors and Shareholders of Dalmia Bharat Refractories Limited ("DBRL", "the Company") in its meeting held on 19th November, 2022 and extra-ordinary general meeting held on 21st December, 2022, respectively, has approved the transfer of its Refractory Business in India to RHI Magnesita India Ltd ("RHI"). The details of this transaction are as under:

- a. Transfer of Indian Refractory Business of the Company to Dalmia OCL Limited (a wholly owned subsidiary company):
As per Business Transfer Agreement (BTA) dated 19th November, 2022, the Company agreed to transfer its entire Indian Refractory Business consisting of its manufacturing facilities at (i) Rajgangpur, Orrisa; (ii) Dalmiapuram, Tamil Nadu; (iii) Khambalia, Gujarat; (iv) Bhilai, Chhattisgarh; and its investment in subsidiary namely Dalmia Seven Refractories Limited having 51% shareholding, on closing date, on going concern basis to its wholly owned subsidiary company, Dalmia OCL Limited at an agreed consideration along with payment of working capital. The above said consideration is settled by way of allotment of equity shares of Dalmia OCL Limited to the Company and an cash consideration.
- b. Transfer of Company's investments in Dalmia OCL Limited to RHI:
As per Share Swap Agreement dated 19th November, 2022, the Company agreed to transfer its entire investment in Dalmia OCL Limited to RHI, in exchange of equity shares of RHI to be allotted to the Company on preferential basis. The Company's investment in Dalmia OCL Limited has been transferred to RHI on January 04, 2023, consequently, Dalmia OCL Limited has ceased to be a subsidiary of the Company.

In view of above transaction, the Indian Refractory Business have been considered as discontinued operations in accordance with Ind AS 105 (Non-current Assets Held for Sale and Discontinued Operations). Continuing Operations in DBRL represents Trading activity of Magnesia Carbon business.

The transfer of business has been concluded on January 04, 2023

These standalone financial statements of the Company as at and for the year ended 31 March 2023 were approved and adopted by board of directors of the Company in their meeting held on April 21, 2023.

2 Basis of preparation, critical accounting estimates and judgement

The standalone financial statements have been prepared on the following basis:

2.1 Compliance with Ind AS

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 ("the Act") as amended from time to time.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the certain financial assets and liabilities, and equity settled share based payments which have been measured at fair value/amortised cost.

Assets acquired and liability assumed in business combination are fair valued at appointed date & accounted accordingly.

2.2 Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the years presented.

Functional and presentation currency

These financial statements are presented in Indian rupees, functional currency of the Company. All amounts have been rounded off to two decimal places to the nearest crores, unless otherwise stated.

Current vis-à-vis non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
 - b) Held primarily for the purpose of trading,
 - c) Expected to be realised within twelve months after the reporting period, or
 - d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

(Currency: Indian Rupees in crores)

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its normal operating cycle.

2.3 Critical accounting estimates and judgements

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

b. Recognition and measurement of defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Fair value measurement of financial instruments

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in active markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumption could affect the fair value of financial instrument.

d. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

e. Impairment of Financial and Non-Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f. Recoverability of trade receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

g. Income Tax

The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the special purpose financial statements.

h. Contingencies

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/-claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

i. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant lease hold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

j. Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior

(Currency: Indian Rupees in crores)

periods. Such items are material by nature or amount to the year's result and / or require separate disclosure in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 32.

2.4 **Recent accounting pronouncements - Standards issued but not yet effective**

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023:

- (i) Ind AS 101 – First-time Adoption of Indian Accounting Standards
- (ii) Ind AS 102 – Share-based Payment
- (iii) Ind AS 103 – Business Combinations
- (iv) Ind AS 107 – Financial Instruments Disclosures
- (v) Ind AS 109 – Financial Instruments
- (vi) Ind AS 115 – Revenue from Contracts with Customers
- (vii) Ind AS 1 – Presentation of Financial Statements
- (viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- (ix) Ind AS 12 – Income Taxes
- (x) Ind AS 34 - Interim Financial Reporting

3 **Significant Accounting policies**

3.1 **Business Combinations goodwill and capital reserve**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values, except certain assets and liabilities required to be measured as per the applicable standard. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in standalone statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

3.2 **Property, plant and equipment**

All items of Property, plant and equipment are stated at historical cost net of tax/ duty credit availed which includes capitalised borrowing cost, less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment (PPE) is provided over the useful life of assets on straight line basis as specified in schedule II to the Act. PPE which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. leasehold land is amortised over the period of lease.

Certain items of PPE has been considered as continuous process plant on the basis of technical assessment and depreciation on the same is provided accordingly.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

3.3 **Intangible assets**

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

(Currency: Indian Rupees in crores)

- a. for assets acquired in a business combination i.e. brand, customer relationship, technology intellectual property, mining rights; at fair value on the date of acquisition
- b. for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. An intangible asset with an indefinite useful life is not amortized.

Assets	Useful life
Customer Relationship	20 Year
Technology Intellectual Property	8 Year
Mining rights	10 Year
Brand	18 Year

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the statement of profit and loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.4 Impairment of non-financial assets

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.5 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. However, trade receivables that do not contain a significant financing component are recognised at their transaction price, less provision for impairment.

3.6 Leases

The Company as a lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

(Currency: Indian Rupees in crores)

The Company as a lessor

A lease for which the Company is a lessor, is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

3.7 Borrowing Cost

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.8 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer and the Chief Financial Officer that makes strategic decisions.

3.9 Employee Benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

a. Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

b. Defined contribution plan

Retirement benefits in the form of provident fund, pension scheme and superannuation scheme and ESIC are a defined contribution plan and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund.

c. Defined benefit plan

The Company's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'. Gratuity liability is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leaves, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

3.10 Inventories

Inventories are valued at lower of historical cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. For the purpose of finished goods valuation, raw material consumption and overheads is taken as last 3 months average rate. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there has been a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realizable value, the materials are written down to net realizable value. In such circumstances, the replacement cost of the material may be the best available measure of their net realizable value.

Historical cost is determined on the basis of real time weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.11 Revenue recognition and other income:

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts in respect of exports are fulfilled at the time of shipment of goods to customer and in respect of domestic sales on dispatch from factory.

Revenue is measured based on transaction price which is fair value of the consideration received or receivable, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated

(Currency: Indian Rupees in crores)

experience is used to estimate the provision for such discounts and sales incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sale of Goods

Revenue from operations is recognised in respect of export sales on the basis of shipment of goods to customer and in respect of domestic sales on dispatch from factory.

Sale of Services

Revenues from sale of services are recognized as per the term of contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage-of-completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Other Income

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or loss after due consideration of certainty of utilization/receipt of such incentives.

The quantum of accruals in respect of claims receivable such as from Railways, Insurance, Electricity, Customs Excise and the like are accounted for on receipt basis.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

Corporate Guarantee Income:

Corporate Guarantee Income is as per the terms of arrangement in the normal course of business and settled through receipt.

Contract Balances

Contract assets

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the company performs under the contract.

3.12 Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income or profit or loss are also recognized in other comprehensive income or profit or loss, respectively). Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

3.13 Taxes

Tax expense comprises current and deferred tax.

Current income-tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and

(Currency: Indian Rupees in crores)

liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.14 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Mines reclamation liability

The Company records a provision for mines reclamation cost until the closure of mine. Mines reclamation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows, with a corresponding amount being capitalised at the start of each project. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the mine reclamation liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of mine reclamation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are capitalised in property, plant and equipment and are depreciated over the estimated commercial life of the related asset based on the unit of production method.

Contingent liability is disclosed in the notes in case of:

- a. There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- b. A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation.
- c. A present obligation arises from the past event, when no reliable estimate is possible.
- d. A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Contingent assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

3.15 Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

3.16 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

Investment and other Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures financial assets at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through

(Currency: Indian Rupees in crores)

profit or loss are expensed in the statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

The Company subsequently measures all equity investments, other than investments in subsidiaries, either through FVTPL or FVOCI. Dividends from such investments are recognised in the Statement of profit and loss as other income when the Company's right to receive payments is established. Investment in subsidiaries representing equity interest are carrying at cost in accordance with ind As 27

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

(b) Financial liabilities and Equity

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(ii) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

(iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawdown. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawdown, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates

(Currency: Indian Rupees in crores)

Trade and other payables: These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

Financial guarantee contracts: Financial guarantee contracts are recognised as a financial liability at the time when guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected credit loss model under Ind AS 109 Financial Instruments and the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 Revenue from Contracts with Customers.

(iv) *Derivative financial instruments*

The Company uses derivative financial instruments mainly forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(v) *Derecognition:*

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains / (losses). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Offsetting of financial instrument

Financial assets and Financial liabilities are offset and the net amount is reported in the balance sheet if there is a legal enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company uses valuation techniques that are appropriate in the circumstances for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the special purpose financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3.18 Dividend distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in other equity.

3.19 Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.20 Share Based Payments

Equity-settled share based payments to employees and directors providing services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.21 Non-current assets held for sale and discontinued operation

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the statement of profit and loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities

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classified as held for sale are presented separately as current items in the Balance Sheet.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operation in the statement of profit and loss.

Additional disclosures are provided in note 32. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

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4 Property, Plant and Equipment

Particulars	Tangible Assets							Right To Use				Intangible Assets															
	Land (Freehold)			Plant & Machinery				Office Equipments		Furniture & Fixtures		Vehicles		Total		Investment Property* Land (Freehold)	Vehicle	Building	Land (Leasehold)	Total	Computer software	Brand**	Customer Relationship**	Technology - Intellectual Property**	Mining Rights**	Total	
	Buildings	Plant & Machinery	Land (Freehold)	Office Equipments	Furniture & Fixtures	Vehicles	Total	Buildings	Land (Leasehold)	Total	Customer Relationship**	Technology - Intellectual Property**	Mining Rights**	Total													
Gross Carrying Amount	69.69	53.78	118.28	3.03	1.18	0.54	246.51	0.21	1.51	3.69	1.90	7.10	0.42	30.00	34.87	39.87	47.09	152.25									
Balance as at 1 April 2021	-	3.09	15.01	0.47	0.04	0.04	18.64	-	1.07	0.38	-	1.45	0.23	-	-	-	-	-	0.23								0.23
Additions	-	-	2.17	0.01	0.00	0.43	2.61	-	1.02	0.13	-	1.15	0.01	-	-	-	-	-	0.01								-
Disposals/Adjustment	69.69	56.88	131.12	3.49	1.21	0.14	262.54	0.21	1.56	3.94	1.90	7.40	0.63	30.00	34.87	39.87	47.09	152.46									0.01
Balance as at 31 March 2022	-	0.08	23.29	1.31	0.01	-	24.69	-	2.44	-	-	2.44	10.17	-	-	-	-	-	10.17								10.17
Additions	0.87	1.22	0.16	-	-	0.07	2.32	-	0.38	-	(0.87)	(0.49)	-	-	-	-	-	-	-								-
Disposals/(Adjustment)	16.01	51.04	154.25	3.95	1.10	0.07	226.42	-	2.52	2.73	-	5.24	10.80	-	34.87	39.87	47.04	132.58									-
Disposal on slump sale (refer note 32)	52.81	4.71	-	0.85	0.12	-	58.49	0.21	1.11	1.21	2.77	5.09	-	30.00	-	-	-	-	-								0.05
Balance as at 31 March 2023	-	14.22	30.29	1.22	0.27	0.18	46.18	-	0.75	0.30	0.21	1.26	0.27	1.61	1.74	4.98	4.66	13.27									13.27
Accumulated Depreciation and Impairment	-	8.89	12.86	0.69	0.15	0.08	22.67	-	0.45	1.17	0.00	1.61	0.45	1.61	1.74	4.98	4.72	13.50									13.50
Depreciation for the year	-	-	0.59	0.02	0.00	0.23	0.85	-	0.06	0.26	0.21	0.53	0.09	-	-	-	-	0.09									0.09
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Fair value adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Other Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-								-
Balance as at 31 March 2022	-	23.11	42.56	1.89	0.42	0.03	68.00	-	1.13	1.20	0.00	2.34	0.63	3.22	3.49	9.97	9.38	26.68									26.68
Depreciation for the year	-	3.79	18.61	0.51	0.13	0.03	23.07	-	1.06	0.40	-	1.46	1.55	1.78	1.30	3.76	3.78	12.17									12.17
Accumulated depreciation on disposals	-	-	0.14	-	-	0.04	0.18	-	(0.04)	-	(0.04)	-	-	-	-	-	-	-	-								-
Disposal on slump sale (refer note 32)	-	22.40	61.03	1.94	0.47	0.02	85.86	-	1.76	0.45	-	2.22	2.18	-	4.79	13.73	13.12	33.82									33.82
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	25.00	-	-	-	25.00									25.00
Balance as at 31 March 2023	-	4.50	-	0.46	0.07	-	5.03	-	0.48	1.14	0.00	1.62	-	30.00	-	-	-	30.04									30.04
Net Carrying Amount	69.69	33.77	88.56	1.60	0.80	0.12	194.53	0.21	0.43	2.74	1.90	5.06	0.00	26.78	31.38	29.90	37.70	125.78									125.78
As at 31 March 2022	52.81	0.21	-	0.39	0.05	-	53.45	0.21	0.63	0.07	2.77	3.47	-	-	-	-	-	0.01									0.01

** Pursuant to Scheme of Arrangement and Amalgamation, Company had recorded value of Brands: Customer relationship; Technology Intellectual Property; Mining right at amounting to Rs 30 crore; Rs 34.87 crore; Rs 39.87 crore and Rs 46.86 crore respectively acquired from Dalmia Refractories Limited and GSB India Private Limited based on the fair valuation carried out by independent valuer, as at the appointed date April 1, 2020. (refer note 32)

* Note

(i). The Company's investment properties consist of freehold lands for capital appreciation. The Company has no restrictions on the realisation of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.
(ii). There is no material expenses incurred for the maintenance of investment properties nor income derived out of the same.
(iii). As at March 31, 2023, the fair value of the properties is Rs. 0.21 crore (March 31, 2022: Rs. 0.21 crore). The fair valuation of investment properties comprising lands are determined based on an annual evaluation performed by an accredited external independent valuer.

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4 Property, plant and equipment

4 (a) Title deeds of immovable property not held in the name of the Company as at March 31, 2023.

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date (Appointed date)	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land	12.28	Dalmia Cement Bharat Limited	Promoter	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
	Freehold land	19.27	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and GSB Refractories India Private Limited and are in the process of transferring in the name of the Company.
	Freehold land	21.25	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	
Property, plant and equipment	Building	0.21	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
Investment Property	Freehold land	0.21	OCL India Limited	Title Deed Holder is the demerged company	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. The Company is in the process of transferring the property in its name.

As at March 31, 2022

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date (Appointed date)	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land	15.05	Dalmia Cement Bharat Limited	Promoter	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
	Freehold land	19.27	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and GSB Refractories India Private Limited and are in the process of transferring in the name of the Company.
	Freehold land	35.00	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	
	Freehold land	0.36	GSB Refractories India Private Limited	Title Deed Holder is the amalgamated company	04/01/2020	
Property, plant and equipment	Building	16.17	Dalmia Cement Bharat Limited	Promoter	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
	Building	17.67	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and GSB Refractories India Private Limited and are in the process of transferring in the name of the Company.
	Building	5.87	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	
	Building	6.06	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	
	Building	4.44	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	
	Building	1.89	GSB Refractories India Private Limited	Title Deed Holder is the amalgamated company	04/01/2020	
Investment Property	Freehold land	0.21	OCL India Limited	Title Deed Holder is the demerged company	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. The Company is in the process of transferring the property in its name.

(Currency: Indian Rupees in crores)

4 (b) Capital work in progress ageing schedule as at March 31 2023, March 31 2022.

CWIP*	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in progress	-	0.02	-	-	0.02
Project temporarily suspended	-	-	-	-	-
Total	-	0.02	-	-	0.02

As at March 31 2023

CWIP*	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in progress	4.65	16.83	0.29	0.05	21.81
Project temporarily suspended	-	-	-	-	-
Total	4.65	16.83	0.29	0.05	21.81

*The Company do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

4 (c) Intangible assets under development ageing schedule as at March 31 2023, March 31 2022.

CWIP*	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31 2023

CWIP*	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Project in progress	7.22	1.02	-	-	8.24
Project temporarily suspended	-	-	-	-	-
Total	7.22	1.02	-	-	8.24

Dalmia Bharat Refractories Limited
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(Rs. in crore)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
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5 Non- Current Assets: Financial Assets

5.1 Investments

A Unquoted Investments

Investment in Subsidiaries

Nil (March 31, 2022: 10,200,000) shares of Dalmia Seven Refractories Limited of Rs 10 each fully paid up	-	28.56
Nil (March 31, 2022: 1,825,000) shares of Dalmia GSB Refractories GmbH of Euro 1 each fully paid up*	-	85.04
100,000 (March 31,2022: 100,000) shares of OCL Global Limited of USD 1 each	96.36	96.36
Nil (March 31,2022: 20,000) equity shares of Rs 10 each, fully paid up of Dalmia OCL Limited (formerly known as "Dalmia OCL Private Limited / Ascension Commercio Private Limited")	-	0.76
150,000 (March 31, 2022: Nil) equity shares of Rs. 10 each full paid up of Dalmia Mining and Services Limited	0.02	-
	<u>96.38</u>	<u>210.72</u>

The list of subsidiaries along with proportion of ownership interest held and country of incorporation are disclosed in Note 41 of Consolidated Financial Statements.

B Quoted Investments

Quoted Others (At FVOCI)

(i) Nil (March 31, 2022: 557.261) units of Tata Liquid Fund Regular Plan - Growth	-	0.19
	<u>-</u>	<u>0.19</u>

Quoted Equity Shares (At FVOCI)

(i) 27,000,000 (March 31, 2022: Nil) shares of RHI Magnesita India Limited of Re 1.00 each	1,701.81	-
(ii) 698,952 (March 31, 2022: 698,952) shares of Dalmia Bharat Limited of Rs 2.00 each	137.57	104.47
	<u>1,839.38</u>	<u>104.47</u>
	<u>1,935.76</u>	<u>315.38</u>

Aggregate amount of Non-Current Investments:

Particulars		
Aggregate amount of quoted investments	1,839.38	104.66
Market value of quoted investments	1,839.38	104.66
Aggregate amount of unquoted investments	96.38	210.72

* Shares pledged with bank pursuant to facility of Euro 11 million availed by Dalmia GSB Refractories GmbH

5.2 Loans

Advance to Employees
- Unsecured & Good

	0.38	0.62
	<u>0.38</u>	<u>0.62</u>

(Rs. in crore)

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
KMPs	0.31	83%	0.59	95%

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013) that are either repayable on demand or without specifying any terms or period of repayment.

6 Other Non-current Assets
Prepaid expenses

	-	0.30
	<u>-</u>	<u>0.30</u>

Dalmia Bharat Refractories Limited
Notes to the Standalone financial statements

Current Assets:

7	Inventories		
	Raw materials	-	193.59
	Work - in - progress	-	18.43
	Finished goods	18.44	102.72
	Stock-in-trade	10.84	11.56
	Stores and spares	0.05	14.54
	Loose tools	-	0.10
	Goods in transit:		
	Stock-in-trade	6.20	-
	Raw materials	-	0.10
		<u>35.53</u>	<u>341.04</u>
8	Current financial assets		
8.1	Current Investments		
A	<u>Unquoted Investments</u>	85.04	
	Investment in Subsidiaries		
	1,825,000 (March 31, 2022: Nil) shares of Dalmia GSB Refractories GmbH of Euro 1 each fully paid up* (refer note 43)		-
B	<u>Quoted Investments</u>	425.06	
	<u>Mutual Funds (At FVTPL)</u>		
	Axis Overnight Fund Direct Growth (Units 35,85,357.94; March 31, 2022 : Nil)		-
		<u>510.11</u>	<u>-</u>
	Aggregate Book value of quoted investments	425.06	-
	Fair value of quoted investments	425.06	-
	Aggregate amount of unquoted investments	85.04	-
	* Shares pledged with bank pursuant to facility of Euro 11 million availed by Dalmia GSB Refractories GmbH		
8.2	Trade Receivables		
	- Trade Receivable considered good - Secured*	-	33.48
	- Trade Receivable considered good - Unsecured	106.53	245.97
	- Trade Receivables which have significant increase in Credit Risk	-	-
	- Trade Receivables - credit impaired	0.34	13.08
		106.87	292.53
	Less: Provision for expected credit loss	(0.34)	(13.08)
		<u>106.53</u>	<u>279.45</u>
	* Trade receivables are secured against Letter of credit for the financials year ended March 31, 2022.		

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023							
i) Undisputed Trade receivables – considered good	68.65	37.88	-	-	-	-	106.53
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	0.34	-	-	-	-	0.34
iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	68.65	38.22	-	-	-	-	106.87
As at 31 March 2022							
i) Undisputed Trade receivables – considered good	168.15	98.96	6.92	5.41	-	0.00	279.45
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	1.41	0.73	7.82	9.95
iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	0.87	0.49	1.77	3.13
Total	168.15	98.96	6.92	7.69	1.22	9.59	292.53

Dalmia Bharat Refractories Limited

Notes to the Standalone financial statements

8.3	Cash & Cash Equivalents		
	Balances with banks		
	- in Current Accounts	10.14	4.38
	Gold coins/ Silver Coins/ Stamps	-	0.00
		10.14	4.38
8.4	Bank Balances		
	Fixed Deposits (of maturity exceeding three months but upto one year)	86.09	1.88
	Margin Money*	1.98	0.04
	Margin money with bank (including accrued interest)		
	- Earmarked for unpaid dividend	0.07	0.09
	- Earmarked for Debenture and Interest	0.03	0.01
		88.17	2.02

*Deposits of Rs. 1.98 crore (31 March 2022 : Rs. 1.77 crore) pledged with banks for the purpose of DSRA.

There is no amount due and outstanding to be credited to the Investor Education and Protection Fund. During FY 2022-23, Rs. 0.01 crore (PY 2021-22 Rs. 0.01 crore) on account of unclaimed dividend was credited to the Investor Education and Protection Fund.

8.5	Loans		
	Amount recoverable from employees		
	- Unsecured, considered good	0.15	0.23
		0.15	0.23

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
KMPs	0.12	76%	-	0%

8.6	Others Financial Assets		
	Unsecured, considered good		
	- Interest receivable	1.36	0.04
	- Slump sale consideration receivable	90.80	-
	- Unbilled Revenue	0.06	-
	- Other receivables*	24.60	2.51
	- Unsecured & Good	-	0.96
		116.81	3.51

* For the financials year ended March 31, 2023 other receivables represents amount recoverable from Dalmia OCL Limited towards on behalf payments made by the Company and for the financials year ended March 31, 2022, other receivables includes amount receivable from Transferor company (Dalmia Cement Bharat Limited) outstanding receivables for expenses etc.

9	Current Tax Assets (net)		
	Advance income tax (net of provision for tax)	-	17.73
		-	17.73
10	Other Current Assets		
	Prepaid expenses	-	1.39
	Advance to suppliers	1.67	5.10
	Amount recoverable from others	1.44	8.67
	Balance with statutory authorities	10.88	10.42
		13.99	25.58

11 Equity:

11.1 Share Capital

Authorised

50,000,000 (31 March 2022 50,000,000) equity shares of Rs.10 each 50.00 50.00

Issued, Subscribed & fully paid up

4,42,00,107 (31 March 2022 4,42,00,107) equity shares of Rs.10 each 44.20 44.20

44.20 44.20

(i) Reconciliation of number and amount of equity shares outstanding:

	No. of shares	Amount
As at 1 April 2021	70,000	0.07
Shares allotted pursuant to the scheme 1 and 2	3,23,25,280	32.33
Shares allotted pursuant to the conversion of CCD to equity shares	1,18,04,827	11.80
As at 31 March 2022	4,42,00,107	44.20
Movement during the year	-	-
As at 31 March 2023	4,42,00,107	44.20

(ii) Rights, restrictions and preferences attached to each class of shares

The Company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2023		As at March 31, 2022	
	Number	% Holding	Number	% Holding
Equity shares of 10 each fully paid				
Dalmia Cement (Bharat) Limited*	1,87,23,737	42.36%	1,87,23,737	42.36%
Akhyar Estate Holding Private Limited	98,40,692	22.26%	98,40,692	22.26%
Garvita Solution Services And Holding Private Limited	26,84,391	6.07%	26,84,391	6.07%

* Dalmia Cement (Bharat) Limited has proposed to transfer its share to Sarvapriya Healthcare Solutions Private Limited (promoter Entity) in the meeting held on March 26, 2023.

(iv) Details of shares held by promoters at the end of the year in the company

Shares held by promoters at the end of the Year March 31, 2023				% Change during the Year
S. No.	Promoter's Name	No. of Shares	% of total shares	
1	Dalmia Cement Bharat Limited (incl. nominees)	1,87,23,743	42.36%	-
2	Akhyar Estate Holdings Private Limited	98,40,692	22.26%	-
3	Garvita Solution Services And Holdings Private Limited	26,84,391	6.07%	-
4	Alirox Abrasives Limited	18,98,397	4.30%	-
5	Himgiri Commercial Ltd	39	0.00%	-
6	Keshav Power Limited	39	0.00%	-
7	Shree Nirman Limited	39	0.00%	-
8	Valley Agro Industries Limited	39	0.00%	-
	Total	3,31,47,379	74.99%	-

Shares held by promoters at the end of the Year March 31, 2022				% Change during the Year**
S. No.	Promoter's Name	No. of Shares	% of total shares	
1	Dalmia Cement Bharat Limited (incl. nominees)	1,87,23,743	42.36%	42.36%
2	Akhyar Estate Holdings Private Limited	98,40,692	22.26%	22.26%
3	Garvita Solution Services And Holdings Private Limited	26,84,391	6.07%	6.07%
4	Alirox Abrasives Limited	18,98,397	4.30%	4.30%
5	Himgiri Commercial Ltd	39	0.00%	0.00%
6	Keshav Power Limited	39	0.00%	0.00%
7	Shree Nirman Limited	39	0.00%	0.00%
8	Valley Agro Industries Limited	39	0.00%	0.00%
	Total	3,31,47,379	74.99%	74.99%

** Pursuat to Scheme 1 and 2 shares issued during the FY 2021-22.

Dalmia Bharat Refractories Limited
Notes to the Standalone financial statements

11.2 **Other Equity**

a. Securities Premium Account

Opening balance	747.19	530.21
Share issued during the year	-	216.98
Closing balance	<u>747.19</u>	<u>747.19</u>

b. Capital Reserve

Opening balance (Refer Note 31)	35.80	35.80
Movement during the year	-	-
Closing Balance	<u>35.80</u>	<u>35.80</u>

c. Share Based Payment Reserve

Opening Balance	-	0.76
Employee share-based payment expense	-	0.55
Shares issued during the year	-	(1.31)
Closing Balance	<u>-</u>	<u>-</u>

d. Compulsory convertible debenture**

Opening balance	-	225.00
Share issued in lieu of CCD conversion	-	(225.00)
Closing Balance	<u>-</u>	<u>-</u>

e. Retained Earnings

Opening balance	(3.25)	(14.45)
Profit/(Loss) for the year	1,286.82	11.38
Less: Appropriations		
Dividend on shares	(2.21)	(0.32)
Actuarial Gain & Losses on DBO (net of tax)	(0.97)	0.14
Closing Balance	<u>1,280.39</u>	<u>(3.25)</u>

f. Other Comprehensive Income

Opening Balance	67.36	75.80
Addition during the period/ year (net of tax)	24.38	(8.44)
Total Income recognised on Equity instruments (net of tax)	<u>91.74</u>	<u>67.36</u>

Total

2,155.13 **847.10**

** 22,500,000 Compulsory Convertible Debentures (CCDs) of face value of Rs.100 each has been issued to DCBL as part of Scheme 1 (refer note 31). CCDs were convertible into equity shares at any time by giving a prior notice of 30 days by either DCBL or DBRL. Each CCD unit were convertible in to 1,000 equity shares for 1,906 CCDs. These CCDs were converted into equity shares and 1,18,04,827 number of equity shares has been allotted to DCBL on 28/03/2022.

Nature and Purpose of Reserves

- (a) Securities premium represents the amount received in excess of par value of securities. Securities Premium is utilised in accordance with the Provisions of the Companies Act, 2013. Capital Reserve arises pursuant to scheme 1 refer note 31
(b) Share based payments reserve - Amount attributable towards share options granted to an employee of the company has been credited to the reserve.
(c) Equity instruments through other comprehensive income - The Company has elected to recognise changes in the fair value of investment in equity instruments in other comprehensive income. The changes are accumulated with in Fair Value through Other Comprehensive Income equity instruments reserve with in equity. The Company will transfer the amount from this reserve to retained earnings when the relevant equity securities are derecognised.

Non - current liabilities:

12 **Financial Liabilities**

Lease Liabilities	0.48	1.54
	<u>0.48</u>	<u>1.54</u>

Note (i) The following is the movement in lease liabilities during the year :

Opening Balance	2.34	2.88
Add: Addition during the year	2.44	1.56
Add: Finance cost accrued during the year	0.29	0.32
Less: Payment of lease liabilities	(1.40)	(1.25)
Less: Reversal of lease liabilities	(0.61)	(1.18)
Less: Transfer on slump sale (refer note 32)	(2.32)	-
Closing Balance	<u>0.74</u>	<u>2.34</u>

The following is the contractual maturity profile of lease liabilities:

Less than one year	0.26	0.80
One year to five years	0.48	1.54
	<u>0.74</u>	<u>2.34</u>

13 **Provisions**

Provision for employee benefits (Refer Note 36)		
- Gratuity	0.86	6.00
- Leave Encashment	0.24	0.62
- Post Retirement Medical Benefit Obligation	2.87	2.36
Provision for other liabilities	0.07	0.89
Provision against asset retirement obligation*	5.24	9.83
	<u>9.28</u>	<u>19.70</u>

* The movement in provision for asset retirement obligation is as follows:

Opening Balance	9.84	9.51
Unwinding of discount (Refer Note 24)	0.41	0.47
Payments	(5.01)	(0.15)
Closing Balance	<u>5.24</u>	<u>9.84</u>

14 Deferred Tax Liability

Deferred tax liability

Property, plant and equipment	7.19	29.65
Investments	3.00	0.24
Lease arrangements	(0.58)	0.68

	9.61	30.57
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Deferred tax assets

Provision for doubtful debts	-	3.29
Provision for asset retirement obligation	1.32	2.78
Employee benefits	18.60	2.53
Provision for expenses	3.27	4.70

	23.19	13.30
--	-------	-------

Net deferred tax assets

-

Net deferred tax liability

17.27

Movement in temporary differences

(i)

	Opening Balance	Recognised in Profit & Loss Account	Recognised in other comprehensive income	Closing balance
FY 22-23				
Deferred tax liabilities				
Property, plant and equipment	29.65	(22.46)	-	7.19
Investments	0.24	-	2.76	3.00
Lease arrangements	0.70	(1.29)	-	(0.58)
	30.59	(23.75)	2.76	9.60
Deferred tax (assets)				
Provision for doubtful debts	(3.29)	3.29	-	-
Provision for expenses	(4.69)	1.41	-	(3.27)
Provision for asset retirement obligation	(2.77)	1.46	-	(1.32)
Employee benefits	(2.53)	(15.74)	(0.33)	(18.60)
Unabsorbed depreciation	-	-	-	-
	(13.28)	(9.58)	(0.33)	(23.19)
Net Deferred tax liability / (asset)	17.31	(33.33)	2.44	(13.59)

	Opening Balance	Recognised in Profit & Loss Account	Recognised in other comprehensive income	Closing balance
FY 21-22				
Deferred tax liabilities				
Property, plant and equipment	28.38	1.27	-	29.65
Investments	0.99	-	(0.75)	0.24
Lease arrangements	0.74	(0.06)	-	0.70
	30.12	1.21	(0.75)	30.59
Deferred tax (assets)				
Provision for doubtful debts	(3.61)	0.32	-	(3.29)
Provision for expenses	0.23	(4.92)	-	(4.69)
Provision for contingent liability	(0.22)	0.22	-	(0.00)
Provision for asset retirement obligation	(2.39)	(0.38)	-	(2.77)
Employee benefits	(2.37)	(0.11)	(0.05)	(2.53)
Unabsorbed depreciation	(4.45)	4.49	-	-
	(12.82)	(0.38)	(0.05)	(13.28)
Net Deferred tax liability / (asset)	17.30	0.83	(0.80)	17.31

Current liabilities:

15 Financial Liabilities

15.1 Borrowings

Secured - at amortised cost

Loans from banks repayable on demand

- Cash Credit	-	37.33
- Buyers Credit	-	7.11
- Bill Discounting	-	1.70
	<u>-</u>	<u>46.14</u>

- During the financial year March 31, 2022, the borrowings of Rs 13 crore pursuant to plant Dalmiapuram, Khambalia and Rajgangpur are secured by first pari passu charge on the entire current assets of respective plants.
- During the financial year March 31, 2022, the borrowings of Rs 33 crore pursuant to plant Dalmiapuram and Khambalia are secured by first pari passu charge on the entire current assets, moveable fixed assets and by equitable mortgage of immovable fixed assets both present and future, (excluding vehicles financed by other banks/FIs) of respective plants.
- During the financial year March 31, 2022, Cash credit from banks referred above were secured by hypothecation of inventories and trade receivable by way of first pari passu charge with all other banks in the consortium and carried interest rate in the range of 7.40% p.a. to 7.85 % p.a.

15.2 Trade Payables

(a) Total outstanding dues of Micro and Small Enterprises (Refer note below)	0.01	22.78
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	167.50	269.80
Total	<u>167.51</u>	<u>292.58</u>

(a) Trade Payables aging schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023						
MSME	0.01	0.00	-	-	-	0.01
Others	29.70	137.81	-	-	-	167.50
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
Total	29.70	137.81	-	-	-	167.51
As at 31 March 2022						
MSME	22.78	-	-	-	-	22.78
Others	174.67	88.84	2.93	0.92	-	269.80
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
Total	197.45	88.84	2.93	0.92	-	292.58

(b) Details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the company is as under:

Particulars		
Principal amount and remaining unpaid	0.01	22.78
Interest due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
	<u>0.01</u>	<u>22.78</u>

15.3 Other financial liabilities

Unpaid matured debentures and interest	0.03	0.03
Unpaid dividend	0.07	0.09
Payable towards purchase consideration of Investment	-	0.16
Interest payable on income tax	8.75	-
Other liabilities	2.16	-
	<u>11.01</u>	<u>2.37</u>

16 Current Tax Liabilities (net)

Provision for income tax (net of advance tax)	406.50	-
	<u>406.50</u>	<u>-</u>

17 Other current liabilities

Advances from Customers	8.06	38.38
Security deposits	-	0.84
Statutory Liabilities	11.39	2.48
Other Payables	0.36	16.61
	<u>19.81</u>	<u>58.31</u>

18 Provisions

Provision for employee benefits (Refer Note 36)		
- Leave Encashment	0.04	0.85
- Gratuity	0.56	2.54
Retirement Medical Benefit Obligation	-	0.21
Provision towards mining litigation	72.20	-
Provision for warranty	1.35	12.59
	<u>74.15</u>	<u>16.19</u>

(Rs. in crore)

Note No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
19	Revenue from operations		
	A. Sale of products		
	Traded goods	91.64	87.85
		<u>91.64</u>	<u>87.85</u>
	B. Sale of Services	1.89	1.79
		<u>93.53</u>	<u>89.64</u>
	Disaggregated revenue information is disclosed above.		
	Reconciliation of Revenue from operations with contract price:		
	Particulars		
	Contract Price	93.53	89.64
	Reduction towards variable consideration components	-	-
	Revenue from Operations	<u>93.53</u>	<u>89.64</u>
20	Other income		
	Interest income from bank/others	7.26	0.15
	Dividend income	0.57	0.34
	Corporate guarantee income	-	0.81
	Fair value gain on investments at fair value through profit and loss	0.06	-
	Profit on Sale of current investments	1.17	-
	Other non-operating income	0.11	-
		<u>9.16</u>	<u>1.30</u>
21	Purchase of stock-in-trade		
	Purchase of stock-in-trade	79.63	65.56
		<u>79.63</u>	<u>65.56</u>
22	Change in inventories of finished goods and work-in-progress		
	Inventories at the beginning of the year		
	Work-in-Progress	18.43	12.69
	Traded goods	11.56	6.87
	Finished Goods	102.72	65.15
		<u>132.71</u>	<u>84.71</u>
	Less: Inventories at the end of the year		
	Work-in-Progress	-	18.43
	Traded goods	10.84	11.56
	Finished Goods	18.44	102.72
		<u>29.28</u>	<u>132.71</u>
	Change in inventories of finished goods and work-in-progress	<u>103.43</u>	<u>(48.00)</u>
	- Discontinued operations	<u>114.27</u>	<u>(48.00)</u>
	- Continuing operations	<u>(10.84)</u>	<u>-</u>
23	Employee benefits expense		
	Salaries, wages, allowances & commission	25.22	5.05
	Contribution to provident & other funds	0.81	0.71
	Employee share-based payment expense	-	0.55
	Gratuity expense (refer note 36)	0.30	0.28
	Staff welfare expense	0.13	-
		<u>26.47</u>	<u>6.59</u>

Dalmia Bharat Refractories Limited
Notes to the Standalone financial statements

24	Finance costs		
	Unwinding Discount	0.04	-
	Interest on Income Taxes	8.75	-
	Interest - Others	0.16	0.07
		<u>8.95</u>	<u>0.07</u>
25	Depreciation, amortisation and impairment		
	Depreciation of tangible assets	0.50	-
	Amortization of right of use assets	0.15	0.40
	Amortization of intangible assets	1.67	-
	Impairment loss on intangible assets	25.00	-
		<u>27.33</u>	<u>0.40</u>
26	Other expenses		
	Rates and taxes*	2.16	-
	Payment to the auditors		
	- Statutory Audit fees	0.31	0.31
	- Limited Review fees	0.16	0.16
	- for reimbursement of expenses	0.08	0.01
	Provision for expected credit loss	0.34	-
	Foreign Exchange Fluctuations	0.31	-
	Professional & Legal Fees (net of reimbursement of expenses)	0.91	0.86
	Director Fees	0.17	0.08
	Corporate social responsibility expenses (Refer Note 38)	0.20	0.42
	Warranty expenses	2.06	-
	Miscellaneous expenses	0.61	-
		<u>7.31</u>	<u>1.84</u>
	* Rate and taxes includes Rs. 2.16 crores towards tax paid on deemed dividend from Dalmia GSB Refractories GmbH		
27	Exceptional Items		
	Profit on disposal of business on slump sale basis (refer note 32)	1,763.35	-
		<u>1,763.35</u>	<u>-</u>
28	Tax expense		
	Continuing operations		
	Current tax	423.60	3.59
	<u>Deferred tax</u>		
	- Deferred tax credit	(15.14)	-
	Total income tax expense for continuing operations	<u>408.46</u>	<u>3.59</u>
	Discontinued operation		
	Current tax	19.16	-
	<u>Deferred tax</u>		
	- Deferred tax credit	(18.17)	(0.83)
	Total income tax expense/ (credit) for discontinued operation	<u>0.99</u>	<u>(0.83)</u>
	Net income tax expense reported in the statement of profit and loss	<u>409.45</u>	<u>2.76</u>
	Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
	Profit before tax from continuing operations	1,727.20	16.47
	Profit/ (loss) before tax from discontinued operation	(30.93)	(2.33)
	Accounting profit before tax	<u>1,696.27</u>	<u>14.14</u>
	Income tax expense calculated at 25.168% (including surcharge and education cess)	426.92	3.56
	Other difference due to temporary difference in tax base	-	(0.83)
	Effect of income that is not chargeable to tax	(0.14)	-
	Effect of income chargeable at different rate of tax	(42.00)	-
	Effect due to slump sale	22.99	-
	Effect of expenses that are deductible in determining taxable profit	(0.58)	(0.22)
	Effect of expenses that are non-deductible in determining taxable profit	2.27	0.25
	Total income tax expense recognised in profit & loss account	<u>409.45</u>	<u>2.76</u>

29	Other Comprehensive Income		
	Item that will not be reclassified to profit or loss		
	- Actuarial loss on defined benefit obligation	(1.29)	0.19
	- Income Tax relating to Actuarial Loss	0.33	(0.05)
	- Fair valuation of equity instruments at FVOCI	27.15	(7.69)
	- Income Tax relating to fair valuation of investments	(2.77)	(0.75)
	Total Other Comprehensive Income	<u><u>23.41</u></u>	<u><u>(8.30)</u></u>
30	Earnings per Share		
	Continuing operations		
	Net profit/ (loss) for the year attributable to Shareholders	1,318.74	12.87
	Number of equity shares considered for calculation of basic and diluted earning per share	4,42,00,107	4,42,00,107
	Earnings/(Loss) per share of Rs. 10 each (in Rs.)		
	Basic and Diluted	298.37	2.91
	Discontinued operation		
	Net profit/ (loss) for the year attributable to Shareholders	(31.92)	(1.50)
	Number of equity shares considered for calculation of basic and diluted earning per share	4,42,00,107	4,42,00,107
	Earnings/(Loss) per share of Rs. 10 each (in Rs.)		
	Basic and Diluted	(7.22)	(0.34)
	Continuing and discontinued operations		
	Net profit/ (loss) for the year attributable to Shareholders	1,286.82	11.37
	Number of equity shares considered for calculation of basic and diluted earning per share	4,42,00,107	4,42,00,107
	Earnings/(Loss) per share of Rs. 10 each (in Rs.)		
	Basic and Diluted	291.14	2.58

Dalmia Bharat Refractories Limited
Notes to the Standalone financial statements
as at 31 March 2023

(Currency: Indian Rupees in crores)

31 Business combination

- (i) The Board of Directors of Dalmia Cement (Bharat) Limited ('DCBL') and Dalmia Bharat Refractories Limited ('DBRL', the Company) in their respective meetings held during the financial year 2019-20, approved a Scheme of Arrangement amongst DCBL and DBRL and their respective shareholders and creditors in terms of Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ('Scheme 1') for transfer and vesting of refractory undertaking of DCBL to DBRL, by way of slump exchange on a going concern basis. The appointed date of the said Scheme is 1st April, 2019.

National Company Law Tribunal, Chennai Bench (NCLT) (the appropriate authority) has approved the above Scheme vide its order dated 3rd February 2022. Certified copy of aforesaid NCLT order has been filed with the Registrar of Companies on 1st March 2022, from which date the Scheme has become effective and accordingly the Company has acquired the refractory undertaking of DCBL, with effect from 1 April 2019 ('appointed date 1'), through a Scheme of Arrangement ('Scheme 1'), by way of slump exchange.

In exchange of the Refractory Undertaking transferred by the DCBL, the Company has issued 6,848,926 fully paid-up equity shares of face value of Rs.10 each at a premium of Rs.180.60 per share amounting to Rs. 130.54 Crore and 22,500,000 Compulsory Convertible Debentures (CCDs) of face value of Rs.100 each amounting to Rs. 225 Crore. In aggregate, Rs. 355.54 Crore of equity shares and CCDs are issued to the DCBL. These CCDs were converted into equity shares and 1,18,04,827 number of equity shares has been allotted to DCBL on 28/03/2022.

Upon the Scheme 1 becoming effective and with effect from the Appointed Date, the Company has accounted for acquisition of the Refractory Undertaking in accordance with accounting treatment approved by the NCLT read with applicable accounting standards prescribed under section 133 of the Companies Act, 2013. Financial information of the Company as at 1st April, 2019 has been restated to give the effect of the acquisition of Refractory Undertaking in accordance with Ind AS 103. All the identifiable assets and liabilities of the Refractory Undertaking vested in the Company pursuant to the Scheme 1 has been recorded in the books of Company at their respective fair values as on the Appointed Date as determined by the Board of Directors of the Company. Followings are the summary of assets acquired and Liabilities assumed by the Company on acquisition of Refractory Undertaking:-

	1 April 2019
Assets	
Non-current assets	
Property, plant and equipment	98.80
Investment property	0.20
Capital work-in- progress	5.96
Right of use assets	0.89
Other intangible assets	1.17
Deferred tax assets	3.95
Investments	96.36
Other financial assets	0.03
Other non-current assets	0.39
	207.75
Current assets	
Inventories	155.54
Trade receivables	107.20
Cash and cash equivalents	3.25
Loans	0.30
Other financial assets	0.20
Other current assets	12.28
Assets held for disposal	0.89
	279.65
Total assets [A]	487.40

Liabilities		
Non-current liabilities		
Lease liability		0.65
Provisions		6.02
		6.66
Current liabilities		
Borrowings		7.04
Lease liability		0.24
Trade payables		58.82
Other financial liabilities		3.51
Other current liabilities		14.02
Provisions		5.77
		89.40
Total liabilities [B]		96.06
Net assets taken over [C]	A-B	391.34
Purchase consideration [D]		355.54
Capital reserve on acquisition	C-D	35.80

Dalmia Bharat Refractories Limited
Notes to the Standalone financial statements

- (ii) The Board of Directors of the Dalmia Bharat Refractories Limited ('DBRL', the Company) and GSB Refractories India Private Limited ('GSB India'), Dalmia Refractories Limited ('DRL') and Dalmia OCL Limited ('DOCL') during the financial year 2019-20, had approved the Scheme of Amalgamation and Arrangement amongst Dalmia Refractories Limited (DRL) and its subsidiary GSB India, DBRL and DOCL and their respective shareholders and creditors under Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ('Scheme 2'). Scheme 2 was further modified by the Board of Directors of the respective Companies at their Board meetings held on 5th April, 2021. The modification involved removal of transfer of refractory undertaking from DBRL to DOCL. Hence, Scheme 2 involved amalgamation of DRL and GSB India with DBRL. The appointed date of the said Scheme 2 is 1st April, 2020.

National Company Law Tribunal, Chennai Bench (NCLT) (the appropriate authority) has approved the above Scheme vide its order dated 3rd February 2022. Certified copy of aforesaid NCLT order has been filed with the Registrar of Companies on 1st March 2022, from which date the Scheme has become effective and accordingly DRL and GSB India amalgamated with DBRL, with effect from 1 April 2020 ('appointed date 2'), through a Scheme of Amalgamation and Arrangement ('Scheme 2').

In consideration for amalgamation of DRL with the Company, the Company issued 25,476,354 equity shares of face value Rs. 10/- each at a premium of Rs. 180.60/- each, to all the shareholders of DRL, as on the Record Date on the basis of Fair Share Exchange Ratio.

The equity shares by DRL in GSB India stand cancelled and no shares are issued to Dalmia GSB Refractories GmbH (other shareholder of GSB India) pursuant to section 19 of the Companies Act which prohibits issue of shares by a company to its subsidiary.

Upon the Scheme 2 becoming effective and with effect from the Appointed Date, the Company has accounted for amalgamation of DRL and GSB India in accordance with accounting treatment approved by the NCLT read with applicable accounting standards prescribed under section 133 of the Companies Act, 2013. Financial information of the Company as at 1st April, 2020 has been restated to give the effect of the amalgamation of DRL and GSB India in accordance with Ind AS 103. All the identifiable assets and liabilities of the DRL and GSB India amalgamated in the Company pursuant to the Scheme 2 has been recorded in the books of Company at their respective fair values as on the Appointed Date as determined by the Board of Directors of the Company. Followings are the summary of assets acquired and Liabilities assumed by the Company on amalgamation:-

	DRL	GSB India	Total
Assets			
Non-current assets			
Property, plant and equipment	126.23	4.16	130.39
Capital work-in- progress	0.97	-	0.97
Right of use assets	3.05	-	3.05
Other intangible assets	151.00	-	151.00
Investments	144.44	-	144.44
Loans	0.81	0.02	0.83
Deferred tax assets	-	0.02	0.02
	426.50	4.20	430.70
Current assets			
Inventories	61.68	6.06	67.74
Trade receivables	39.15	12.09	51.24
Investments	-	-	-
Cash and cash equivalents	0.27	0.22	0.49
Other bank balances	1.87	0.05	1.92
Loans	1.89	0.12	2.01
Other financial assets	0.06	-	0.06
Current tax assets	1.05	-	1.05
Other current assets	6.00	0.11	6.11
	111.97	18.65	130.62
Total assets [A]	538.47	22.85	561.32
Liabilities			
Non-current liabilities			
Lease liability	0.88	-	0.88
Other financial liabilities	1.39	-	1.39
Provisions	3.41	0.21	3.62
Deferred tax liabilities (net)	24.13	-	24.13
	29.81	0.21	30.02
Current liabilities			
Borrowings	34.83	-	34.83
Lease liability	0.31	-	0.31
Trade payables	45.17	7.16	52.33
Other financial liabilities	3.42	0.48	3.90
Other current liabilities	8.25	0.22	8.46
Provisions	0.36	0.29	0.65
	92.35	8.14	100.49
Total liabilities [B]	122.16	8.35	130.50
Net assets taken over [C]			430.82
Purchase consideration [D]			485.56
Goodwill on acquisition* [D-C] (Refer note (b) below)			54.73

(a) Aggregation of Authorised Share Capital

Upon the Scheme becoming effective and with effect from the Appointed date, the authorised share capital of DBRL shall automatically stand increased, without any further act, instrument or deed, by the authorised share capital of DRL and GSB India as on the Effective Date. Accordingly, as on 1st April 2020, the authorised capital is Rs. 50.00 Crore divided into 5,00,00,000 (Five crore only) Equity shares of Rs. 10/- each.

(b) Reduction of securities premium

Pursuant to Scheme 2, Goodwill on acquisition of DRL and GSB amounting to Rs. 54.73 crore have been recognised. Further, Goodwill arising, have been fully adjusted against the Securities Premium Account of the Company.

(Currency: Indian Rupees in crores)

32 Transfer of refractory business on slump sale basis (Discontinued operation)

The Board of Directors and Shareholders of Dalmia Bharat Refractories Limited ("DBRL", "the Company") in its meeting held on 19th November, 2022 and extra-ordinary general meeting held on 21st December, 2022, respectively, has approved the transfer of its Refractory Business in India to RHI Magnesita India Ltd ("RHI"). The details of this transaction are as under:

a. Transfer of Indian Refractory Business of the Company to Dalmia OCL Limited (a wholly owned subsidiary company):

As per Business Transfer Agreement (BTA) dated 19th November, 2022 and amendment thereto, the Company has transferred its entire Indian Refractory Business consisting of its manufacturing facilities at (i) Rajgangpur, Orissa; (ii) Dalmiapuram, Tamil Nadu; (iii) Khambalia, Gujarat; (iv) Bhilai, Chhattisgarh; and its investment in subsidiary namely Dalmia Seven Refractories Limited having 51% shareholding, on closing date, on going concern basis to its wholly owned subsidiary company, Dalmia OCL Limited at an agreed consideration of Rs. 2,191.85 Crore (including working capital). The above said consideration is settled by way of allotment of 8,24,83,642 equity shares of Dalmia OCL Limited to the Company, at a price of Rs. 207.04 /- per share, aggregating to Rs. 1,707.76 Crore and an cash consideration including the closing adjustments in net working capital and debt adjustments.

DBRL has received the base cash consideration amounting to Rs. 393.29 Crore and determined the Cash consideration for working capital to Rs. 90.80 Crores. The transfer of business has been concluded on January 04, 2023.

Particulars	As at January 04, 2023
Fair value of shares received in wholly owned subsidiary company, Dalmia OCL Limited	1,707.76
Cash Consideration	393.29
Cash Consideration for working capital	90.80
Total consideration	2,191.85
Less: Carrying amount of net assets transferred (refer below)	396.46
Less: expenses towards business transfer	32.04
Gain on disposal of refractory business pursuant to BTA is presented as exceptional item in statement of profit and loss	1,763.35

The carrying amount of assets and liabilities of refractory business as at the date of slump sale i.e. January 04, 2023 are as follows:

(Rs. in crore)

Particulars	As at January 04, 2023
Property, plant and equipments	138.91
Right of use assets	2.21
Other intangible assets	101.23
Capital work-in-progress	11.49
Investments	29.32
Inventories	368.10
Trade receivables	287.83
Bank Balances	0.12
Loans	0.28
Other non-current assets	0.46
Other financial assets	3.85
Other assets	30.92
Total assets (A)	974.69
Borrowings	161.80
Lease liabilities	2.32
Trade payables	351.92
Other current liabilities	38.42
Provisions	23.77
Total liabilities (B)	578.23
Carrying amount of net assets transferred (A-B)	396.46

b. Transfer of Company's investments in Dalmia OCL Limited to RHI:

As per Share Swap Agreement dated 19th November, 2022, the Company has transferred its entire investment in Dalmia OCL Limited to RHI, at an consideration of 2,70,00,000 equity shares of RHI allotted to the Company on preferential basis, amounting to Rs. 1,707.76 Crore. The Company's investment in Dalmia OCL Limited has been transferred to RHI on January 04, 2023, consequently, Dalmia OCL Limited has ceased to be a subsidiary of the Company.

c. In view of above transaction, the Indian Refractory Business have been considered as discontinued operations in accordance with Ind AS 105 (Non-current Assets Held for Sale and Discontinued Operations). Continuing Operations in DBRL represents Trading activity of Magnesia Carbon business. The Financial performances of the Discontinued Operation for the relevant period ended are as below:

Financial performance and cash flow information:

(Rs. in crore)

Particular	Year Ended	
	March 31, 2023	March 31, 2022
Financial Performance :		
Revenue including other income	1,002.30	870.88
Total expenses (refer note 39)	1,059.62	873.21
Profit before exceptional item and tax	(57.32)	(2.33)
Exceptional item*	26.39	-
Profit after exceptional item and before tax	(30.93)	(2.33)
Tax expenses	0.99	(0.83)
Profit for the period / year from discontinued operation	(31.92)	(1.50)
Cashflow disclosure		
Net cash flow (used in) operating activities	46.32	4.36
Net cash flow (used in) investing activities	(14.40)	(4.46)
Net cash flow from financing activities	110.29	4.43
Net increase/(decrease) in cashflow from discontinued operation	142.21	4.33

*During the June'22 quarter, the company has finalized arbitration proceedings with one of the customer for old receivable amount and interest thereon against the supply of products . The company has written back provision for doubtful debt amounting Rs 3.38 Crore against the customer outstanding balance. The company has also recognised interest income of Rs 26.39 Crore on the claimed amount as part of the arbitration proceedings. Interest income has been presented as exceptional item in the profit and loss. Further, outstanding and interest amount has been realised.

- d. Accordingly, the results of Indian Refractory Business is excluded from above financial statements for previous year and the effect on the amount of Revenue, Profit and Earnings per Share published in previous year are as given below:-

Particular	<i>(Rs. in crore)</i>	
	Year Ended	
	March 31, 2022	
Revenue from operations - Continuing Operation		
As per published in previous year		948.76
As restated for the effect of sale/transfer		89.64
Profit / (Loss) after tax - Continuing Operation		
As per published in previous year		11.38
As restated for the effect of sale/transfer		12.88
Earning per share - Continuing Operation		
As per published in previous year		2.57
As restated for the effect of sale/transfer		2.91

33 Capital Commitments

(Rs. in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	6.63

34 Contingent Liabilities

(Rs. in crore)

S.No.	Particulars	As at March 31, 2023	As at March 31, 2022
i	Claims against the company not acknowledged as debt and being contested before the appropriate authorities.		
-	Service tax matters	-	3.50
-	Sales tax matters	-	1.46
-	Other matters	12.11	88.42
ii	Corporate guarantee	80.00	82.22

35 Segment Information

The Company is primarily in the business of refractory manufacturing and selling. However, w.e.f January 05, 2023, the Company has transferred its Refractory business to RHI and subsequently The Company is only engaged in trading activity of refractories. Hence, the business of trading of refractories constitutes single business segment. The Company's operations are predominantly confined in India. Hence, there is only one identified reportable segment as per Ind AS 108 - Operating Segment.

36 Employee Benefits

Gratuity

The Company has a defined benefit gratuity plan. The gratuity is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy. The Trust is responsible for the administration of the plan assets and for the determination of investment strategy. The Company makes provision of such gratuity asset/ liability in the books of account on the basis of actuarial valuation carried out by an independent actuary.

A. Statement of profit and loss

Net employee benefit expense

(Rs. in crore)

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Current Service cost	0.12	0.03	1.16	0.21
Interest Cost	1.01	0.10	0.31	0.03
Expected return on plan asset	(0.43)	-	(0.47)	-
Total Expense	0.71	0.14	0.99	0.24
Continuing operations	0.30	0.05	0.28	0.02
Discontinued operations	0.41	0.09	0.71	0.22

B. Balance Sheet

(i) Details of Plan assets/ (liabilities) for Gratuity and Leave Encashment

(Rs. in crore)

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Present value of Obligation as at year-end	1.42	0.28	14.80	1.47
Fair value of plan assets	-	-	6.25	-
Net Asset/(Liability) recognized in the Balance Sheet*	(1.42)	(0.28)	(8.54)	(1.47)

(ii) Changes in the present value of the defined benefit obligation are as follows:

(Rs. in crore)

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Opening defined benefit obligation	14.80	1.47	14.50	1.65
Disposal on account of Slump Sale (refer note 32)	(14.78)	(1.03)	-	-
Interest cost	1.01	0.10	0.31	0.03
Current service cost	0.12	0.03	1.16	0.21
Benefit paid	(0.92)	(0.08)	(0.98)	(0.08)
Actuarial (gains)/losses on obligation	1.19	(0.22)	(0.19)	(0.35)
Closing defined benefit obligation	1.42	0.28	14.80	1.47

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

(Rs. in crore)

Particulars	2022-23	2021-22
	Opening fair value of plan assets	6.25
Fund transfer	-	-
Disposal on account of Slump Sale (refer note 32)	(6.58)	-
Expected return on Plan Assets	0.33	0.46
Benefits paid	-	(1.04)
Closing fair value of plan assets	-	6.25

(iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2022-23	2021-22
Discount rate (%)	7.36%	6.84%
Expected salary increase (%)	7.00%	7.00%
Demographic Assumptions		
Retirement Age (year)	58 years	58 years
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Particulars	2022-23	2021-22
Withdrawal rate		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

(v) **Contribution to defined contribution plans:**

<i>(Rs. in crore)</i>		
Particulars	2022-23	2021-22
Continuing operations	0.81	0.71
Discontinued operations	2.63	2.40
Provident and other funds	3.44	3.11

(vi) **Sensitivity analysis of the defined benefit obligation:**

<i>(Rs. in crore)</i>				
Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Impact of the change in discount rate				
Impact due to increase of 0.5% / 1%	(0.03)	(0.01)	(0.28)	0.05
Impact due to decrease of 0.5% / 1%	0.03	0.01	0.30	0.07
Impact of the change in salary increase				
Impact due to increase of 0.5% / 1%	0.03	0.01	0.30	0.07
Impact due to decrease of 0.5% / 1%	(0.03)	(0.01)	(0.28)	(0.05)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

(vii) **Other comprehensive income (OCI):**

<i>(Rs. in crore)</i>		
Particulars	2022-23	2021-22
	Gratuity	
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain/(loss) for the year on PBO	(1.19)	0.19
Actuarial gain/(loss) for the year on plan asset	(0.10)	-
Unrecognized actuarial gain/(loss) at the end of the year	-	-
Total actuarial gain/(loss) at the end of the year	(1.29)	0.19

37 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

A. Relationships

i. Significant Share Holding

Dalmia Cement (Bharat) Limited (Associate)

ii. Subsidiaries of the Company

OCL Global Limited

Dalmia Seven Refractories Limited (Ceased to be subsidiary from January 05, 2023)

Dalmia GSB Refractories GmbH

Dalmia OCL Limited (Ceased to be subsidiary from January 05, 2023)

Dalmia Mining and Services Private Limited (Become wholly owned subsidiary w.e.f. March 10, 2023)

iii. Step down subsidiaries of the Company

OCL China Limited

iv. Promoter/ Enterprises controlled/jointly controlled by Promotors / Key Management Personnel of the Significant shareholder:

Adhunik Cement Limited

Alirox Abrasives Limited

Alsthom Industries Ltd

Calcom Cement (India) Limited

Dalmia Bharat Group Foundation

Dalmia DSP Limited (merged with Dalmia Cement (Bharat) Limited as per the order from NCLT dated June 10, 2022)

Dalmia Institute of Scientific & Industrial Research

Dalmia Magnesite Corporation

Dalmia Bharat Limited

Dalmia Bharat Sugar & Industries Limited

Garvita Solution Services and Holdings Private Limited

Govan Travels (Prop. Dalmia Bharat Sugar & Industries Limited)

Himgiri Commercial Limited

Keshav Power Limited

MurlI Industries Limited (merged with Dalmia Cement (Bharat) Limited as per the order from NCLT dated June 10, 2022)

Shree Nirman Limited

Shri Chamundeswari Minerals Limited

SNCCIL Employees Group Gratuity Scheme

Sarvapriya Healthcare Solutions Private Limited

Valley Agro Industries Limited

iv. Key Managerial Person and Directors

Mr. Sameer Nagpal - Managing Director and Chief Executive Officer

Mr. Sikander Yadav - Chief Financial Officer (upto January 06, 2023)

Ms Akansha Jain - Company Secretary (upto June 20, 2022)

Ms Meghna Saini - Company Secretary (wef June 21, 2022)

B. The following transactions were carried out with the related parties in the ordinary course of business (Net of taxes):

(Rs. in crore)

Name of Related Party	Nature of Transaction	For the year	
		31 March 2023	31 March 2022
Dalmia Cement (Bharat) Limited	Sale of goods	66.09	14.71
	Purchase of goods	17.30	8.09
	Purchase of services	0.35	0.41
	Loan repaid	-	23.50
	Interest on Loan taken	-	1.46
	Issue of equity shares	-	130.54
	Issue of equity shares in lieu of CCD	-	225.00
Dalmia Seven Refractories Limited	Rent	0.80	0.80
	Sale of Goods & Services	0.97	3.15
	Interest on Loan given	-	0.01
	Purchase of goods & Services	21.83	8.26
	Commission Income	1.01	2.11
	Royalty	0.02	-
	Management Services	0.47	-
Dalmia GSB Refractories GmbH	Corporate Guarantee income	0.06	0.80
	Management Services	0.73	-
	Reimbursement of expenses	2.16	-
	Sale of goods	6.36	7.84
	Purchase of goods	0.13	-
	Loan given	0.45	-
Dalmia OCL Limited*	Value of shares received on business transfer	1,707.76	-
	Cash Consideration	393.29	-
	Value of shares swap with RHI Magnesita India Ltd on business transfer	1,708.52	-
OCL Global Limited	Management & Supervision Charges	1.76	1.79
	Purchase of goods	22.45	84.19
	Sale of refractories	1.04	1.05
OCL China Limited	Purchase of goods	53.45	59.95
Dalmia Bharat Limited	Payment for management services	0.26	3.02
Govan Travels (A unit of Dalmia Bharat Sugar & Industries Limited)	Air ticketing	2.29	1.01
	Purchase of sanitizer	-	0.03
Calcom Cement India Limited	Sale of goods	6.13	1.48
Dalmia DSP Limited**	Sale of refractories	-	0.82
Murli Industries Limited**	Sale of Goods	-	7.43
Dalmia Bharat Group Foundation	Corporate social responsibility expenses	0.17	0.42
Dalmia Magnesite Corporation	Sale of services	-	0.02
	Purchase of services	-	0.11
Dalmia Bharat Sugar & Industries Limited	Sale of Goods	5.35	-
	Purchase of goods	11.23	-
Alsthom Industries Ltd	Sale of Goods	0.01	-
Key Managerial	Mr. Sameer Nagpal- MD & CEO	20.34	2.49
Personnel of	Mr. Sikander Yadav- CFO	0.86	0.30
Parent Company	Ms. Akansha Jain- CS	0.03	0.11
	Ms. Meghna Saini - CS	0.18	-

*Assets and liabilities derecognised on transfer of business to subsidiary (Refer note 32).

**Merged with Dalmia Cement (Bharat) Limited as per the order from NCLT dated June 10, 2022.

C. Balances outstanding at year end:

Particulars	As at	
	31 March 2023	31 March 2022
Outstanding receivable		
Dalmia Cement (Bharat) Limited	-	3.73
Dalmia Seven Refractories Limited	-	5.86
Dalmia GSB Refractories GmbH	0.23	6.83
OCL Global Limited	0.77	1.62
Murli Industries Limited	-	0.83
Investment in subsidiaries		
Dalmia GSB Refractories GmbH	85.04	85.04
Dalmia Seven Refractories Limited	-	28.56
OCL Global Limited	96.36	96.36
Dalmia OCL Limited*		0.76
Loan given		
Mr. Sameer Nagpal	0.43	0.59
Outstanding payable		
Dalmia Cement (Bharat) Limited	0.20	1.22
Dalmia Bharat Limited	-	0.04
Dalmia Seven Refractories Limited	-	0.85
Dalmia GSB Refractories GmbH	2.16	-
Govan Travels (Prop.Dalmia Bharat Sugar and Industries Limited)	0.07	0.03
OCL Global Limited	-	64.06
OCL China Limited	24.91	23.22
Dalmia Magnesite Corporation	-	0.02

*Ceased to be subsidiary from January 05, 2023.

Since, the Company has transferred its entire Indian Refractory Business along with its investment in subsidiary namely Dalmia Seven Refractories Limited and Dalmia OCL Limited to RHI Magnesita India Ltd ("RHI") on January 04, 2023. Therefore all transactions with subsidiary namely Dalmia Seven Refractories Limited and Dalmia OCL Limited are shown till January 04, 2023. Refer note 32 for further details.

38 Disclosure in respect of Corporate social responsibility expenses

	2022-23	2021-22
(i) Gross amount required to be spent during the year	-	-
(ii) Amount spent during the year * :		
- Construction/acquisition of any asset	-	-
- On purposes other than above	0.17	0.42

* includes Rs. 0.17 Cr (March 31, 2022: Rs. 0.42 Cr) paid to a related party (Dalmia Bharat Group Foundation) (Refer note 37). This amount was spent on livelihood project, item no II & III of schedule VII of the companies act 2013.

The provisions of Section 135 of the Companies Act, 2013 were not applicable on a standalone basis to the Company for the Financial Year ended March 31, 2023.

- 39 The Company has debited direct expenses relating to bauxite mining to cost of raw materials consumed reflected under discontinued operations (refer note 32) are as under:

Particulars	(Rs. in crore)	
	2022-23	2021-22
Employee benefit expenses	1.22	0.93
Power and fuel expense	0.65	7.05
Other		
Consumption of stores and spare parts	0.10	0.15
Repairs and maintenance - Plant and machinery	0.04	0.68
Repairs and maintenance - Buildings	-	0.02
Rates & taxes (including royalty on limestone)	0.09	0.59
Professional charges	0.37	-
Advertisement and sales promotion	0.03	-
Miscellaneous expenses	3.55	12.46
	6.05	21.90

- 40 Details of loans and advances in nature of loans to subsidiaries as required by Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(Rs. in crore)					
Particulars	Company Name	Outstanding amount as at end of FY 2022-23	Maximum amount outstanding during the year	Outstanding amount as at end of FY 2021-22	Maximum amount outstanding during the year
Loans given	Dalmia Seven Refractories Limited	-	-	-	2.00

- 41 Details of Loans Given, Investment made and Guarantee given covered u/s 186(4) of the Companies Act, 2013

(Rs. in crore)			
Particulars	Company Name	31-Mar-23	31-Mar-22
Corporate guarantee given*	Dalmia GSB Refractories GmbH	80.00	87.91

* The guarantee is given for business purpose.

- 42 **Dividend**

The Board of directors has recommended final dividend of 15%, i.e. Re 1.50 per equity share for the year ended 31st March 2023 subject to the approval of shareholders.

- 43 **Events occurring After the Balance Sheet date**

- a) The Company entered into Share Purchase Agreement with RHI Magnesita Deutschland AG to sell and transfer wholly owned subsidiary company namely Dalmia GSB Refractories GmbH. Shareholders in it's extra ordinary general meeting held on 20th April 2023, considered and approved the disposal of said wholly owned subsidiary company to RHI Magnesita Deutschland AG.
- b) No other adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

44 Financial Risk Management Objectives And Policies

Financial Risk Factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise appropriate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 45. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

(Rs. in crore)

Particulars	As at 31 March 2023		As at 31 March 2022	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	106.87	-	267.11	25.42
Expected Credit Losses (B)	(0.34)	-	-	(13.08)
Net Carrying Amount (A-B)	106.53	-	267.11	12.34

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as illustrated in note 45.

B. Liquidity Risk :

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans. The table below summarises the maturity profile of the Company's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

Table hereunder provides the current ratios of the Company as at the year end:

(Rs. in crore)

Particulars	As at 31 March 2023	As at 31 March 2022
Total current assets	881.44	673.94
Total current liabilities	679.24	416.39
Current ratio	1.30	1.62

The table below summarises the maturity profile of the Company's financial liabilities :

(Rs. in crore)

Particulars	Payable on demand	Less than 1 year	More than 1 year	Total
As at 31 March 2023				
Borrowings	-	-	-	-
Other financial Liabilities	-	11.01	-	11.01
Lease Liabilities	-	0.26	0.48	0.74
Trade and other payables	-	167.51	-	167.51
Total	-	178.79	0.48	179.27

(Rs. in crore)

Particulars	Payable on demand	Less than 1 year	More than 1 year	Total
As at 31 March 2022				
Borrowings	46.14	-	-	46.14
Other financial Liabilities	-	2.37	-	2.37
Lease Liabilities	-	0.80	1.54	2.34
Trade and other payables	-	292.58	-	292.58
Total	46.14	295.75	1.54	343.43

C. Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

i. Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowings obligations in the form of cash credit and buyer's credit carrying floating interest rates.

(Rs. in crore)

Particulars	Fixed Rate Borrowing	Variable Rate	Total Borrowing
As at March 31, 2023	-	-	-
As at March 31, 2022	-	46.14	46.14

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings

	Impact on Statement of Profit & Loss	
	For the year ended	For the year ended
	31 March 2023	31 March 2022
Interest rate increase by 1%	0.09	0.06
Interest rate decrease by 1%	(0.09)	(0.06)

ii. Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings and foreign payables on account import of raw materials and other consumables. This foreign currency risk is covered by using foreign exchange forward contracts.

The details of foreign currency exposure is as follows:

Particulars	Foreign Currency (FC)	FY 2022-23 (in crore)		FY 2021-22 (in crore)	
		In FC	In Rs.	In FC	In Rs.
Unhedged Foreign Currency Trade Payables	USD	0.12	9.66	1.46	110.19
	Euro	0.04	3.28	0.06	5.16
	CNY	0.57	6.78	-	-
Trade Receivable	USD	0.02	2.03	0.49	37.41
	Euro	0.00	0.17	0.22	18.89
Advances received from customers - Export	USD	-	-	0.01	0.40
	Euro	0.09	7.47	-	-
Hedged Foreign Currency Trade Payables	USD	-	-	0.26	19.74

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

(Rs. in crore)

Particulars	Increase / Decrease in	Impact on Profit & Loss Account	
		For the year ended 31 March 2023	For the year ended 31 March 2022
USD Sensitivity	+1%	(0.08)	(0.73)
	-1%	0.08	0.73
Euro Sensitivity	+1%	0.03	(0.14)
	-1%	(0.03)	0.14
CNY Sensitivity	+1%	0.07	-
	-1%	(0.07)	-

* Holding all other variable constant

45 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair at fair value of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial Assets

(Rs. in crore)

S. No.	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial assets designated at fair value through profit and loss						
	<u>Current</u>						
	- Investment in mutual funds	A	Level-1	425.06	425.06	-	-
2	Financial assets designated at fair value through other comprehensive income						
	<u>Non-Current</u>						
	- Investment in mutual funds	B	Level-1	-	-	0.19	0.19
	<u>Non-Current</u>						
	- Investment In Equity shares	B	Level-1	1,839.38	1,839.38	104.47	104.47
3	Financial assets designated at amortised cost	D					
	<u>Non-Current</u>						
a)	Loans		Level 2	0.38	0.38	0.62	0.62
	<u>Current</u>						
a)	Trade receivables*			106.53	106.53	279.45	279.45
b)	Cash & Cash Equivalents*			10.14	10.14	4.38	4.38
c)	Other Bank Balances*			88.17	88.17	2.02	2.02
d)	Loans*			0.15	0.15	0.23	0.23
e)	Other financial assets*			116.81	116.81	3.51	3.51
4	Investment in subsidiaries	C	Level 2	181.42	181.42	210.72	210.72
				2,768.04	2,768.04	605.59	605.59

Financial Liabilities

(Rs. in crore)

S. No.	Particulars		Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial liability designated at amortised cost	D					
	<u>Non-Current</u>						
	- Other financial liability		Level-2	0.48	0.48	1.54	1.54
	<u>Current</u>						
	- Borrowings		Level-2	-	-	46.14	46.14
	- Trade payables*			167.51	167.51	292.58	292.58
	- Other financial liability*			11.01	11.01	2.37	2.37
	- Lease liability			0.26	0.26	0.80	0.80
				179.27	179.27	343.43	343.43

*Represents financial assets and liabilities whose carrying amount is a reasonable approximation of their respective fair value.

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- A Company has opted to fair value its mutual fund investment through profit & loss.
- B Company has opted to fair value its quoted investments in equity share through OCI.
- C Company has opted to value its investments in subsidiaries at cost.
- D Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

- Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

46 Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium, capital suspense and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Particulars	As at 31 March 2023	As at 31 March 2022
Debt	-	46.14
Cash & bank balances	98.31	6.40
Net Debt	(98.31)	39.74
Total Equity	2,199.32	891.30
Net debt to equity ratio (Gearing Ratio)	(0.04)	0.04

47. Financial performance ratios

Sl. No.	Ratios	Numerator	Denominator	March 31, 2023	March 31, 2022	% change
1	Current ratio	Current assets	Current liabilities	1.30	1.62	-19.82%
2	Debt equity ratio	Total debt = [Long term borrowings including current maturities + current borrowings]	Total Equity = Issued share capital + Other equity	-	0.05	-100.00%
3	Debt Service Coverage Ratio	Earnings available for debt service = Profit before tax - gain on disposal of discontinued operation + finance costs + depreciation and amortisation expense	Debt service = Finance costs for the year + interest capitalised + scheduled principal repayments of long term borrowings (excluding prepayment/ re-financing) during the year)	0.02	9.72	-99.84%
4	Return on equity	Net profits after taxes	Average total equity	85.34%	0.32%	26568.30%
5	Inventory Turnover ratio	Revenue from operations	Average inventory	0.12	0.85	-85.37%
6	Trade receivables turnover ratio	Revenue from sale of products and services (excluding subsidies)	Average Accounts Receivable - Average rebate to customers	0.12	1.02	-88.14%
7	Trade payables turnover ratio	Net purchases of goods = Purchase of raw materials included in cost of raw materials consumed + Purchases of stock in trade	Average Trade Payables	0.30	2.30	-87.02%
8	Net capital turnover ratio	Revenue from sale of products and services (excluding subsidies)	Working capital = Current assets - Current liabilities	0.46	3.68	-87.44%
9	Net profit ratio	Net profit after tax	Revenue from operations	1410.02%	1.20%	117530.42%
10	Return on capital employed	Earnings before interest and taxes (including other income)	Capital Employed = Average total equity excluding fair value of investments through OCI + Average Total Debt	-1.22%	0.58%	-310.90%
11	Return on investment	Interest income on fixed deposits, bonds + dividend income + profit on sale of investments + fair valuation gain of investments carried at FVTPL + fair valuation gain of investment carried at FVTOCI	Current investment + Non current investments + other bank balances	35.02%	-5.13%	-782.55%

Explanations for change in ratio by more than 25%:

1. All the ratios of the Company has materially Changed primarily due to transfer of Company's entire Indian Refractory Business in scheme of slump sale. (Refer note 32)
2. For the financial year ended March 31, 2023, all the ratios has been calculated on continuing business.

48. Disclosure on Bank/Financial institutions compliances

For the financials year 2022-23, quarterly returns or statements of current assets filed by the Company with bank or financial institution are in agreement with books of accounts.

Summary of reconciliation of quarterly statements of current assets filled by the Company with Banks as follow for the financial year 2021-22:

Particulars of Securities provided	For the quarter ended	Amount as per books of account	Amount as reported in the Stock statement	Amount of difference
Inventories	March'22	341.04	338.15	2.89
Trade Receivables	March'22	279.45	275.31	4.14

Note Above differences are not considered material with reference to the size and nature of the business operation of the Company.

49. Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) Relationship with Struck off Companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 are as follows:

Name of Struck off Company	Nature of transactions	Transactions during the year March 31, 2023	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
Zain Thermal Solutions Private Limited	Payables	0.10	-	Vendor
Star Wire (India) Limited	Receivables	0.26	-	Customer

- (iii) The Company has not entered into any scheme of arrangement approved by the competent authority in terms of section 232 to 237 of the Companies Act 2013 during the year ended March 31, 2023.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) (vi) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) (viii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- (ix) (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

50. Pursuant to the transfer of business undertaking vide business transfer agreement dated November 19, 2022, in respect of satisfaction of charges, the same is under process subject to receipt of required document from the charges holders.

51. The figures for the corresponding previous year are not strictly comparable to each other owing to transfer of refractory business during the year ended March 31, 2023.

As per our report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

For and on behalf of the Board of Directors

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

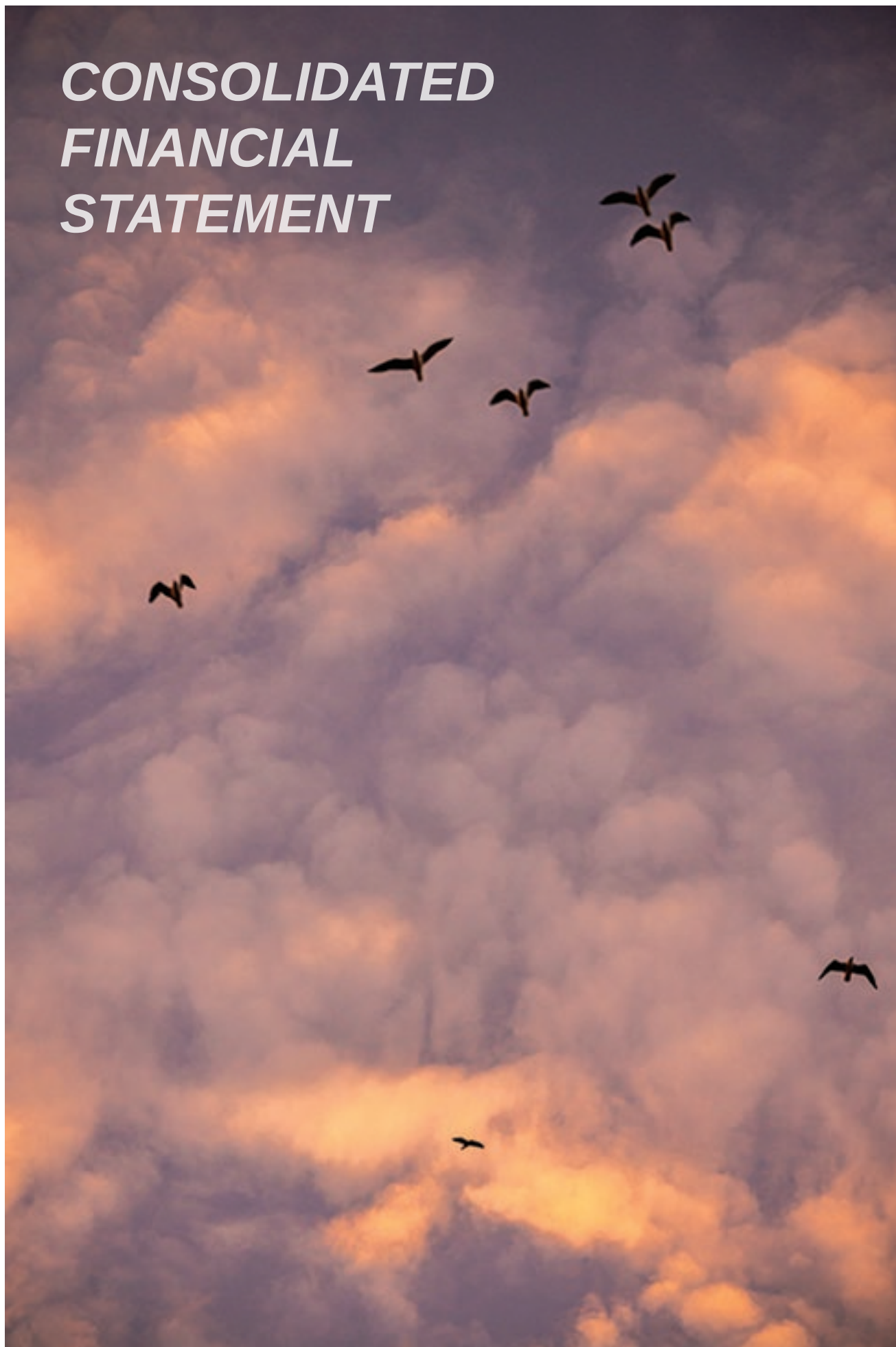
Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21, 2023

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi

CONSOLIDATED FINANCIAL STATEMENT



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DALMIA BHARAT REFRACTORIES LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Dalmia Bharat Refractories Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2023, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 their consolidated state of affairs of the Company as at 31st March, 2023, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter are that matter that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended 31st March 2023. This matter were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Transfer of Holding Company's business undertakings engaged in the refractories business	
<p>The Board of Directors and Shareholders of Dalmia Bharat Refractories Limited ("DBRL", "the Holding Company") in its meeting held on 19th November, 2022 and extra-ordinary general meeting held on 21st December, 2022, respectively, has approved the transfer of its Refractory Business in India to RHI Magnesita India Ltd ("RHI").</p> <p>As per Business Transfer Agreement (BTA) dated 19th November, 2022, the Holding Company transferred its entire Indian Refractory Business, on closing date, on going concern basis to its wholly owned subsidiary company, Dalmia OCL Limited at an agreed consideration of Rs. 2,191.85 Crore. The above said consideration is settled by way of allotment of 8,24,83,642 equity shares of Dalmia OCL Limited to the Holding Company, at a price of Rs. 207.04 /- per share, aggregating to Rs. 1,707.76 Crore and an cash consideration including the closing adjustments in net working capital and debt adjustments.</p> <p>The transfer of business is concluded on 04th January, 2023. The group has derecognized total assets and liabilities of Rs. 1037.97 Crore and Rs. 638.03 Crore, respectively. Gain on disposal (net of expenses) of refractory business pursuant to BTA amounting to Rs. 1759.87 Crore has been accounted in the consolidated statement of profit and loss for the year ended 31st March 2023 and presented as exceptional item.</p> <p>As accounting for transfer of assets and liabilities and recognition of gain on business transfer is material item and significant event during the year ended 31st March 2023 for the group, we considered it to be a key audit matter.</p>	<p>Our audit procedures includes the followings:</p> <ul style="list-style-type: none"> • Performed inquiry procedures with the key managerial persons of the Holding Company with reference to above said transfer. • Obtained and read the minutes of board of directors and shareholders, business transfer agreement (BTA) and amendments thereto, share swap agreement, for transfer of its refractory business. • Understanding the process followed by the Holding Company for the accounting treatment of pursuant to the BTA. • Evaluating whether the measurement, recognition and disclosure of the said transaction is in line with the applicable Indian Accounting Standards. • Assessing whether the accounting entries recorded in the books is in line with the accounting treatment assessed above, including the arithmetical accuracy of the same. • Review of disclosures provided in the financial statements in this regard. <p>(Refer note 31 to the standalone financial statements)</p>

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the

Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibility for Audit of Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw atten-

tion in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

We did not audit the financial statements / financial in-

formation of 5 subsidiaries, whose financial statements / financial information reflect total assets of Rs. 390.14 Crore as at 31st March, 2023, total revenues of Rs. 498.69 Crore and net cash inflow/outflows amounting to Rs. 72.61 Crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries are based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2023 from being appoint-

ed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in Annexure A, which is based on the auditor's reports of the holding company, subsidiaries companies incorporated in India to whom internal financial controls with reference to the financial statements is applicable.
- g. In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration has been paid / provided by the Holding Company in accordance with provisions of section 197 read with Schedule V to the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and representation given to us :
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer note 33 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March 2023 and in case of subsidiary incorporated in India there were no amounts which were required to be transferred to the investor education and protection fund during the year ended 31st March 2023.
 - iv.a. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b. The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c. Based on audit procedure performed by us that are considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (1) (h) (iv) (a) & (b) contain any material misstatement.
- v. The final dividend paid by the holding Company during the year which was declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note no 39 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. No dividend is declared or paid during the year by the subsidiaries companies incorporated in India.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for

the financial year ended March 31, 2023.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiaries included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, provided to us by the Management of the Holding Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualified / adverse remarks in their CARO reports.

For Chaturvedi & Shah LLP

Chartered Accountants

Registration No. 101720W/W100355

Vijay Napawaliya

Partner

Membership No. 109859

Place: New Delhi

UDIN:- 23109859BGXRTO5937 Date: 21st April, 2023

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Dalmia Bharat Refractories Limited ("hereinafter referred to as the Holding Company") and its subsidiaries incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiaries, which are company, incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls, 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 and the audit evidence obtained by the other auditor of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to consolidated financial statements of the Holding Company, its subsidiary company, which is a company incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding and its subsidiaries which are company incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the Group 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one subsidiary company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For Chaturvedi & Shah LLP

Chartered Accountants

Registration No. 101720W/W100355

Vijay Napawaliya

Partner

Membership No. 109859

UDIN:- 23109859BGXRTO5937

Place: New Delhi

Date: 21st April, 2023

Dalmia Bharat Refractories Limited
Consolidated Balance Sheet as at March 31, 2023

(Rs. in crore)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - current assets			
(a) Property, plant and equipment	4	96.80	256.00
(b) Right of use assets	4	15.82	20.48
(c) Investment property	4	0.21	0.21
(d) Capital work - in - progress	4b	0.02	21.83
(e) Other intangible assets	4	27.95	156.22
(f) Intangible assets under development	4c	-	8.26
(g) Goodwill		97.71	121.61
(h) Financial assets			
(i) Investments	5.1	1,839.38	104.66
(ii) Loans	5.2	0.38	0.62
(iii) Other financial assets	5.3	-	1.10
(i) Deferred tax assets (net)	14	13.58	-
(j) Other non-current assets	6	-	0.30
Total non-current assets		<u>2,091.85</u>	<u>691.29</u>
Current assets			
(a) Inventories	7	66.68	392.01
(b) Financial assets			
(i) Investments	8.1	425.07	-
(i) Trade receivables	8.2	148.26	337.51
(ii) Cash and cash equivalents	8.3	128.15	50.11
(iii) Bank balances other than (ii) above	8.4	88.17	3.69
(iv) Loans	8.5	0.15	0.23
(v) Other financial assets	8.6	124.28	3.63
(c) Current tax assets (net)	9	-	17.83
(d) Other current assets	10	24.24	39.22
Total current assets		<u>1,005.00</u>	<u>844.23</u>
Assets held for disposal		-	0.33
Total assets		<u>3,096.85</u>	<u>1,535.85</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11.1	44.20	44.20
(b) Other equity	11.2	2,231.81	894.59
(c) Non Controlling Interests		<u>5.82</u>	<u>12.46</u>
Total equity		<u>2,281.83</u>	<u>951.25</u>
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	12.1	1.52	3.01
(ii) Borrowings	12.2	58.85	80.88
(b) Provisions	13	9.28	20.18
(c) Deferred tax liabilities (net)	14	0.33	16.08
Total non-current liabilities		<u>69.98</u>	<u>120.15</u>
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15.1	30.54	77.77
(ii) Lease liabilities	12.1	0.87	1.49
(iii) Trade payables			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	15.2	0.01	29.82
(b) Total outstanding dues of other than Micro Enterprises and Small Enterprises	15.2	183.69	252.92
(iv) Other financial liabilities	15.3	11.63	8.58
(b) Current tax liabilities (net)	16	416.30	-
(c) Other current liabilities	17	22.83	62.19
(d) Provisions	18	79.17	31.68
Total current liabilities		<u>745.04</u>	<u>464.45</u>
Total equity & liabilities		<u>3,096.85</u>	<u>1,535.85</u>

See accompanying notes to the financial statements

As per our report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21, 2023

For and on behalf of the Board of Directors

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022*
Continuing operation			
Income			
I Revenue from operations	19	345.75	300.41
II Other income	20	12.92	0.79
III Total income (I + II)		<u>358.67</u>	<u>301.20</u>
IV Expenses			
Cost of materials consumed	21	62.38	79.23
Purchase of stock-in-trade		163.57	105.40
Change in inventories of finished goods and work-in-progress	22	(7.62)	(1.19)
Employee benefits expense	23	50.46	30.46
Finance costs	24	12.81	3.94
Depreciation, amortisation and impairment	25	35.81	8.88
Other expenses	26	51.69	39.86
Total expenses		<u>369.08</u>	<u>266.58</u>
V (Loss)/Profit for the year before tax from continuing operations (III-IV)		(10.41)	34.62
VI Exceptional Items	27	1,759.87	-
VII Profit from ordinary activities before tax from continuing operation		1,749.45	34.62
VIII Tax expense/(benefit)	28		
(1) Current tax		429.54	12.58
(2) Deferred tax		(15.09)	(0.08)
		<u>414.45</u>	<u>12.50</u>
IX Net Profit/(Loss) for the year after tax from Continuing Operations (VII - VIII)		1,335.00	22.12
Discontinued operation	31		
Profit/ (loss) before tax from discontinued operation		(52.25)	0.77
Exceptional Items		26.39	-
Tax expense/ (credit) on discontinued operation		2.54	0.05
Net profit/ (loss) for the year from discontinued operation		<u>(28.41)</u>	<u>0.72</u>
X Net Profit for the year after tax		1,306.59	22.84
XI Other comprehensive income (including discontinued operation)	29		
Items that will not be reclassified to profit or loss			
Fair Value of Equity Instrument		27.15	(7.69)
Income Tax relating to fair valuation of investments		(2.77)	(0.75)
Re-measurement of defined benefit plans		(1.29)	0.19
Income tax relating to re-measurement of defined benefit obligation		0.33	(0.05)
Exchange differences in translating the financial statements of foreign operations		11.47	8.51
		<u>34.87</u>	<u>0.21</u>
XII Total comprehensive income for the year (X + XI)		<u>1,341.47</u>	<u>23.05</u>
Net profit/ (loss) Attributable to (Continuing and Discontinued Operation)			
a) Owners of the Company		1,304.64	21.41
b) Non controlling interest		1.96	1.43
Other Comprehensive Income Attributable to (Continuing and Discontinued Operation)			
a) Owners of the Company		34.88	(0.13)
b) Non controlling interest		(0.00)	0.34
Total Comprehensive Income Attributable to (Continuing and Discontinued Operation)			
a) Owners of the Company		1,339.50	21.29
b) Non controlling interest		1.95	1.77
XIII Earning/(Loss) per equity share	30		
Nominal value of equity shares (Rs 10.00 each)			
(1) Basic and Diluted Earnings Per Share (Rupees) - Continuing operations		302.04	5.00
(2) Basic and Diluted Earnings Per Share (Rupees) - Discontinued operation		(6.87)	(0.16)
(3) Basic and Diluted Earnings Per Share (Rupees) - Continuing and discontinued operations		295.16	4.84

* Restated (Refer Note 31)

See accompanying notes to the financial statements

For and on behalf of the Board of Directors

As per our report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Regn. No.: 101720W/W100355

Vijay Napawaliya

Partner

Membership No.: 109859

Place : New Delhi

Date : April 21, 2023

Deepak Thombre

Chairman

DIN: 02421599

Place : Pune

Sameer Nagpal

Managing Director

DIN: 06599230

Place : New Delhi

Rahul Sahni

Chief Financial Officer

Place : New Delhi

Meghna Saini

Company Secretary

Place : New Delhi

Dalmia Bharat Refractories Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(a) Equity Share Capital

		(Rs. in crore)			
Balance of Equity Share Capital	As at 1 April 2021	Changes during the year	As at 31 March 2022	Changes during the year	As at 31 March 2023
	0.07	44.13	44.20	-	44.20

(b) Other equity

Particulars	Reserves and Surplus				Items of other comprehensive income			Total	Non-controlling interest	
	Securities Premium	Capital reserve	Retained earnings	General Reserve	Share Based Payments Reserve	Complutory convertible debenture	Equity instruments through other comprehensive income			Foreign currency Translation Reserve
As at 1 April 2021	529.90	33.62	11.72	0.73	0.76	225.00	75.80	4.75	882.27	10.90
Movement during FY 21-22										
Dividend	-	-	(0.32)		-		-	-	(0.32)	
Employee share-based payment expense	-	-	-		0.55		-	-	0.55	
Equity shares allotted pursuant to scheme 2 (ESOP)	3.78	-	-		(1.31)	(225.00)	-	-	(222.53)	
Shares allotted pursuant to the conversion of CCD to equity shares	213.20	-	-		-		-	-	213.20	
Capital subsidy during the year	-	(0.07)	-		-		-	-	(0.07)	
Exchange difference on translation of foreign operations	-	-	21.41		-		-	8.37	8.37	0.13
Profit/(loss) for the year	-	-	0.14		-		(8.43)	-	21.41	1.43
Other comprehensive income	-	-	-		-		-	-	(8.29)	
As at 31 March 2022	746.88	33.54	32.95	0.73	-	-	67.37	13.12	894.59	12.46
Movement during FY 22-23										
Dividend	-	-	(2.21)		-		-	-	(2.21)	
Employee share-based payment expense	-	-	-		-		-	-	-	
Equity shares allotted pursuant to scheme 2 (ESOP)	-	-	-		-		-	-	-	
Shares allotted pursuant to the conversion of CCD to equity shares	-	-	-		-		-	-	-	
Transfers	-	-	(0.26)		0.26		-	-	-	
Capital subsidy during the year	-	(0.08)	-		-		-	-	(0.08)	
Exchange difference on translation of foreign operations	-	-	-		-		-	11.47	11.47	1.20
Profit/(loss) for the year	-	-	1,304.63		-		-	-	1,304.63	1.95
Loss of control on sale of business	-	-	(0.97)		-		-	-	-	(9.79)
Other comprehensive income	-	-	-		-		24.38	-	23.41	
As at 31 March 2023	746.88	33.47	1,334.13	0.99	-	-	91.75	24.59	2,231.81	5.82

As per our report of even date

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Regn. No.: 101720WW/100355

For and on behalf of the Board of Directors

Deepak Thombre

Chairman

DIN: 02421599

Place: Pune

Sameer Nagpal

Managing Director

DIN: 06599230

Place: New Delhi

Vijay Napawaliya

Partner

Membership No.: 109859

Place: New Delhi

Date: April 21, 2023

Meghna Saini

Company Secretary

Place: New Delhi

Rahul Sahni

Chief Financial Officer

Place: New Delhi

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities :		
Profit/ (loss) before tax from ordinary activities before exceptional items		
-Continuing operations	(10.41)	34.62
-Discontinuing operations	(25.87)	0.77
Profit before taxation and before exceptional items	(36.28)	35.39
Exceptional items	1,759.87	-
Profit before taxation	1,723.59	35.39
Adjustments for :		
Depreciation and amortisation expense	46.73	48.01
Provision no longer required written back	(0.09)	(3.18)
Bad debts	0.28	2.54
Gain on Slump Sale	(1,759.87)	-
Impairment of intangible assets	25.00	-
Provision for doubtful debts	0.34	-
Provision for warranty	15.63	2.26
Finance cost	18.32	11.55
Interest income	(8.63)	(1.76)
Dividend income	(0.57)	(0.34)
Rates and taxes	72.20	-
Gain on investments carried at fair value through statement of profit and loss	(1.23)	-
(Profit) / loss on sale of property, plant and equipment	(0.26)	(0.12)
Other	-	0.55
Operating profit before working capital changes	131.45	94.90
Working capital adjustments		
Decrease/(Increase) in inventories	(54.04)	(143.11)
Decrease/(Increase) in trade receivables	(127.14)	(128.04)
Decrease/(Increase) in loans	0.02	(0.51)
Decrease/(Increase) in other financial assets	(33.48)	61.24
Decrease/(Increase) in other assets	(17.53)	(9.16)
(Decrease)/Increase in trade payables	282.40	108.55
(Decrease)/Increase in other financial liabilities	4.77	(3.10)
(Decrease)/Increase in provisions	(31.58)	23.80
(Decrease)/Increase in other liabilities	0.15	45.93
Cash generated/(used) from operations	23.57	(44.40)
Income taxes paid (net)	(14.58)	(30.95)
Net cash flow generated from operating activities	140.44	19.56
B Cash flow from investing activities		
Purchase of property, plant, equipment and intangible assets	(19.34)	(47.14)
Proceeds from sale of property, plant and equipment	3.53	-
Interest income	8.63	1.76
Dividend income	0.57	0.34
Purchase of current investments	(1,075.00)	-
Proceed from sale of current investments	647.26	-
Investment in subsidiary	(0.02)	-
Other bank balances	(87.87)	-
Proceeds on slump sale of business	393.29	-
Net cash flow generated from investing activities	(128.96)	(45.04)
C Cash flows from financing activities		
Proceeds from issue of equity shares	-	(2.48)
Other receipts	1.00	-
Dividend paid	(2.21)	(0.32)
Proceeds/(Repayment) of borrowings (net)	110.47	8.48
Repayment of lease liability	(24.33)	(13.22)
Interest paid	(18.36)	(11.55)
Net cash flow generated from financing activities	66.57	(19.09)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	78.04	(44.58)
Cash and cash equivalents at the beginning of the year	50.11	94.68
Cash and cash equivalents at the end of the year	128.15	50.11
Net increase/(decrease) in cash and cash equivalents	78.04	(44.58)

Components of cash and cash equivalents	31 March 2023	31 March 2022
Cash in hand	0.00	0.03
Balances with banks in current accounts	37.67	36.70
Gold coins, silver coins and stamps (current year Rs. Nil & previous year Rs. 19,849.00)	-	0.00
Deposits with maturity of less than three months	90.47	9.09
Funds in transit	-	4.29
Net cash and cash equivalent	128.15	50.11

Changes in Liabilities arising from Financing Activities

Particulars	As at 1 April 2022	Cash flows	Non cash*	As at 31 March 2023
Borrowings - Non current (Refer note 12.2)	80.88	153.74	(175.77)	58.85
Borrowings - Current (Refer note 15.1)	77.77	(47.23)	-	30.54

* Non cash items represents borrowing transferred in slump sale (refer note 31).

Particulars	As at 1 April 2021	Cash flows	Non cash	As at 31 March 2022
Borrowings - Non current (Refer note 12.2)	94.93	(14.05)	-	80.88
Borrowings - Current (Refer note 15.1)	55.23	22.53	-	77.77

Notes:

1. The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 – Statement of Cash Flows.
2. During the year the Parent Company has transfer its Refractory Business in India to RHI Magnesita India Ltd ("RHI") against which Cash Consideration of Rs. 393.29 crore have been received and same is disclosed under investing activities. Non-cash portion of business acquisitions is excluded from a statement of cash flows (Refer note 31).

As per our report of even date attached

For and on behalf of the Board of Directors of

For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21, 2023

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi

(Currency: Indian Rupees in crores)

1 Corporate information

Dalmia Bharat Refractories Limited ('DBRL' or 'the Parent Company') was incorporated under the provisions of Companies Act 2013 applicable in India (erstwhile Companies Act, 1956). The registered office of the Company is located at Dalmiapuram, P.O. Kallakudi - 621651, Dist. Tiruchirappalli, Tamil Nadu.

The Board of Directors and Shareholders of Dalmia Bharat Refractories Limited ("DBRL") in its meeting held on 19th November, 2022 and extra-ordinary general meeting held on 21st December, 2022, respectively, has approved the transfer of its Refractory Business in India to RHI Magnesita India Ltd ("RHI"). The details of this transaction are as under:

a. Transfer of Indian Refractory Business of the Company to Dalmia OCL Limited (a wholly owned subsidiary company):

As per Business Transfer Agreement (BTA) dated 19th November, 2022, the Parent Company agreed to transfer its entire Indian Refractory Business consisting of its manufacturing facilities at (i) Rajgangpur, Orissa; (ii) Dalmiapuram, Tamil Nadu; (iii) Khambalia, Gujarat; (iv) Bhilai, Chhattisgarh; and its investment in subsidiary namely Dalmia Seven Refractories Limited having 51% shareholding, on closing date, on going concern basis to its wholly owned subsidiary company, Dalmia OCL Limited at an agreed consideration along with payment of working capital. The above said consideration is settled by way of allotment of equity shares of Dalmia OCL Limited to the Company and an cash consideration.

b. Transfer of Parent Company's investments in Dalmia OCL Limited to RHI:

As per Share Swap Agreement dated 19th November, 2022, the Parent Company agreed to transfer its entire investment in Dalmia OCL Limited to RHI, in exchange of equity shares of RHI to be allotted to the Parent Company on preferential basis. The Parent Company's investment in Dalmia OCL Limited has been transferred to RHI on January 04, 2023, consequently, Dalmia OCL Limited has ceased to be a subsidiary of the Parent Company.

In view of above transaction, the Indian Refractory Business have been considered as discontinued operations in accordance with Ind AS 105 (Non-current Assets Held for Sale and Discontinued Operations). Continuing Operations of the group represents Trading activity of Magnesita Carbon business and International business.

The transfer of business has been concluded on January 04, 2023.

The consolidated financial statements comprise financial statements of Dalmia Bharat Refractories Limited ("the parent company") and its subsidiaries namely, Dalmia OCL India Limited (till January 5, 2023), OCL Global Limited, OCL China Limited, Dalmia Seven Refractories Limited (till January 5, 2023), Dalmia Mining and Services Private Limited and Dalmia GSB Refractories GmbH (collectively, "the Group") as at 31 March 2023.

The Group is in the business of refractory manufacturing and selling. It produces High Alumina Refractory Bricks, Castables, pre-cast shapes like lances, snorkels, other refractory products and supplying to Core Industries namely Cement, steel and others.

These consolidated financial statements of the Group as at and for the year ended 31 March 2023 were approved and adopted by board of directors of the Parent Company in their meeting held on April 21, 2023.

2 Basis of preparation, critical accounting estimates and judgement

The financial statements have been prepared on the following basis:

2.1 Compliance with Ind AS

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 ("the Act") as amended from time to time.

2.2 Basis of preparation

These consolidated financial statements comprises of consolidated balance sheet, consolidated statement of profit and loss, consolidated statement of changes in equity, consolidated statement of cash flow statement, notes to the consolidated financial statements and other explanatory information as at and for the year ended 31 March 2023 (hereinafter referred to as " consolidated financial statements").

a. Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and its subsidiaries as at 31 March 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired during the year are included in the consolidated financial statements from the date the Group obtains control and assets, liabilities, income and expenses of a subsidiary disposed off during the year are included in the consolidated financial statements till the date the Group ceases to control the subsidiary.

b. Consolidation procedure:

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. The difference between the cost of investment in the subsidiaries and the Parent's share of net assets at the time of acquisition of control in the subsidiaries is recognised in the consolidated financial statement as goodwill. However, resultant gain (bargain purchase) is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity.

Intra-Group balances and transactions, and any unrealized income and expenses arising from intra Group transactions, are eliminated in preparing the consolidated financial statements.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If an entity of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, if any, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the consolidated financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

For the acquisition of additional interests in subsidiaries, where there is no change in the control, the Group recognises a reduction to the non-controlling interest of the respective subsidiary with the difference between this figure and the cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of controlling interests, the difference between the cash received from sale or listing of the subsidiary shares and the increase to non-controlling interest is also recognised in equity. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in consolidated statement of profit and loss. Any investment retained is recognised at fair value. The results of subsidiaries acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities (including derivative instruments);
- defined benefit plans – plan assets measured at fair value;
- assets and liabilities acquired in business combination;

c. Functional and presentation currency

The consolidated financial statements are presented in 'Indian Rupees', which is also the Parent Company functional currency. Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates are presented in Indian Rupees which is also the Parent Company functional currency. All amounts are rounded to the nearest crores, unless otherwise stated. The functional currency for all the entities in the Group is Indian Rupees except following subsidiaries:-

- a) Dalmia GSB Refractories GmbH - EURO
- a) OCL China Limited - RMB
- a) OCL Global Limited - USD

d. Current vis-à-vis non-current classification

The Group presents assets and liabilities in consolidated balance sheet, based on current/non-current classification.

The Group has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
 - b) Held primarily for the purpose of trading,
 - c) Expected to be realised within twelve months after the reporting period, or
 - d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
 - b) Held primarily for the purpose of trading,
 - c) Due to be settled within twelve months after the reporting period, or
 - d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group has identified twelve months as its normal operating cycle.

2.3 Critical accounting estimates and judgements

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a. Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

b. Recognition and measurement of defined benefit obligations

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An

actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Fair value measurement of financial instruments

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in active markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumption could affect the fair value of financial instrument.

d. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

e. Impairment of Financial and Non-Financial Assets

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Group assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f. Recoverability of trade receivables:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

g. Income Tax:

The Group reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to an adjustment to the amounts reported in the consolidated financial statements.

h. Contingencies:

Management has estimated the possible outflow of resources at the end of each annual reporting financial year, if any, in respect of contingencies/claim/litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

i. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant lease hold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

j. On acquisition date 01.04.2019 and 01.04.2020 Group revalued at fair value assets acquired and liabilities assumed as part of business combinations, valuation by registered valuer to comply with the provision of arrangement under section 230 to 232 of the Companies act 2013 and to comply with reporting requirements of Ind AS as per section 133 of the Companies act 2013 to incorporate the effect of merger scheme as approved by NCLT (Refer note 44)

k. Exceptional items

Exceptional items are those items that management considers, by virtue of their size or incidence, should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. Such items are material by nature or amount to the year's result and / or require separate disclosure in accordance with Ind AS. The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 31.

2.4 Recent accounting pronouncements - Standards issued but not yet effective

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023:

- (i) Ind AS 101 – First-time Adoption of Indian Accounting Standards
- (ii) Ind AS 102 – Share-based Payment
- (iii) Ind AS 103 – Business Combinations
- (iv) Ind AS 107 – Financial Instruments Disclosures
- (v) Ind AS 109 – Financial Instruments
- (vi) Ind AS 115 – Revenue from Contracts with Customers
- (vii) Ind AS 1 – Presentation of Financial Statements
- (viii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- (ix) Ind AS 12 – Income Taxes
- (x) Ind AS 34 - Interim Financial Reporting

3 Significant Accounting policies

3.1 Business combinations, goodwill and capital reserve

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values, except certain assets and liabilities required to be measured as per the applicable standard. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

3.2 Share Based Payments

Equity-settled share based payments to employees and directors providing services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Parent Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Parent Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.3 Property, plant and equipment

All items of Property, plant and equipment are stated at historical cost net of tax/ duty credit availed which includes capitalised borrowing cost, less depreciation and impairment loss, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Expenditure incurred on assets which are not ready for their intended use comprising direct cost, related incidental expenses and attributable borrowing cost are disclosed under Capital Work-in-Progress.

Depreciation methods, estimated useful lives and residual value:

Depreciation on Property, plant and equipment (PPE) and is provided over the useful life of assets as specified in schedule II to the Act. PPE which are added/ disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. Leasehold land is amortized over the period of lease.

Certain items of PPE has been considered as continuous process plant on the basis of technical assessment and depreciation on the same is provided accordingly.

Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear.

3.4 Intangible assets

Intangible assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially: technology - intellectual property, customer relationship, Brand and mining at fair value on the date of acquisition for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. Computer softwares are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of useful lives or period of three years, whichever is less. An intangible asset with an indefinite useful life is not amortized.

Depreciation inconsistency in refractories units.

Assets	Useful life
Customer Relationship	20 Year
Technology Intellectual Property	8 Year
Mining rights	10 Year
Brand	18 Year

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the consolidated

statement of profit and loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses. The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit and loss when the asset is derecognised.

3.5 Impairment of non-financial assets

Assets which are subject to depreciation or amortisation are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.6 Trade receivables

Trade receivables are recognised initially at fair value and and subsequently measured at amortised cost using the effective interest rate method. However, trade receivables that do not contain a significant financing component are recognised at their transaction price, less provision for impairment.

3.7 Leases

The Group as a lessee

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if Group changes its assessment if whether it will exercise an extension or a termination option.

The Group as a lessor

A lease for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

3.8 Borrowing cost

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period. All other borrowing costs are expensed in the period in which they occur.

3.9 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker. The Chief Operating Decision-Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer that makes strategic decisions.

3.10 Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

a. Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss for the year in which the related service is rendered.

b. Defined contribution plan

Retirement benefits in the form of provident fund, pension scheme and superannuation scheme and ESI are a defined contribution plan and the contributions are charged to the consolidated statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund.

c. Defined benefit plan

The Group's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)- 19- 'Employee Benefits'. Gratuity liability is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leaves, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

3.11 Inventories

Inventories are valued at lower of historical cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. For the purpose of finished goods valuation, raw material consumption is taken as last 3 months average rate. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when there has been a decline in the price of materials and it is estimated that the cost of the finished products will exceed net realizable value, the materials are written down to net realizable value. In such circumstances, the replacement cost of the material may be the best available measure of their net realizable value.

Historical cost is determined on the basis of real time weighted average method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

3.12 Revenue recognition and other income:

Group derives revenues primarily from sale of manufactured goods, traded goods and related services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The performance obligations in our contracts in respect of exports are fulfilled at the time of shipment of goods to customer and in respect of domestic sales on dispatch from factory.

Revenue is measured based on transaction price which is fair value of the consideration received or receivable, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and sales incentives / schemes. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Sale of goods

Revenue from operations is recognised in respect of export sales on the basis of shipment of goods to customer and in respect of domestic sales on dispatch from factory.

Sale of services

Revenues from sale of services are recognized as per the term of contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

Other income

Incentives on exports and other Government incentives related to operations are recognised in the statement of profit or loss after due consideration of certainty of utilization/receipt of such incentives.

The quantum of accruals in respect of claims receivable such as from Railways, Insurance, Electricity, Customs Excise and the like are accounted for on receipt basis.

Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income:

Dividend Income is recognised when the right to receive the payment is established.

Corporate guarantee income:

Corporate Guarantee Income is as per the terms of arrangement in the normal course of business and settled through receipt.

Contract balances

Contract assets

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

3.13 Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively). Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other finance gains / losses are presented in the statement of profit and loss on a net basis.

3.14

Taxes

Tax expense comprises current and deferred tax.

Current income-tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.15

Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Mines reclamation liability

Group records a provision for mines reclamation cost until the closure of mine. Mines reclamation costs are provided at the present value of expected costs to settle the obligation using estimated cash flows, with a corresponding amount being capitalised at the start of each project. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the mine reclamation liability. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of mine reclamation are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are capitalised in property, plant and equipment and are depreciated over the estimated commercial life of the related asset based on the unit of production method.

Contingent liability is disclosed in the notes in case of:

There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

A present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.

A present obligation arises from the past event, when no reliable estimate is possible.

A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Contingent assets

A contingent asset is disclosed, where an inflow of economic benefits is probable.

3.16

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Group's cash management.

Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Group's cash management.

3.17

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

(a) Investment and other Financial Assets

(i) Classification

Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at cost.

Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, Group measures financial assets at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in the Statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

The Group subsequently measures all equity investments at fair value either through FVTPL or FVOCI. Dividends from such investments are recognised in the Statement of profit and loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when:

- The Group has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

3.18 Financial Liabilities & Equity

(i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

(ii) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

(iii) Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Borrowings: Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawdown. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawdown, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade and other payables: These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

Financial guarantee contracts: Financial guarantee contracts are recognised as a financial liability at the time when guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected credit loss model under Ind AS 109 Financial Instruments and the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 Revenue from Contracts with Customers.

Derivative financial instruments

The Group uses derivative financial instruments mainly forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(iv) **Derecognition:**

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains / (losses). When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Offsetting of financial instrument

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Group uses valuation techniques that are appropriate in the circumstances for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3.19 Dividend Distribution

Annual dividend distribution to the shareholders is recognised as a liability in the period in which the dividends are approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable is recognised directly in other equity.

3.20 Earnings per share

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity shares outstanding during the year.

- (a) Diluted earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of equity and potential equity shares outstanding during the year including share options, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.21 Non-current assets held for sale and discontinued operation

Non-current Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when a sale is highly probable from the date of classification, management are committed to the sale and the asset is available for immediate sale in its present condition. Non-current Assets are classified as held for sale from the date these conditions are met and are measured at the lower of carrying amount and fair value less cost to sell. Any resulting impairment loss is recognised in the Statement of Profit and Loss as a separate line item. On classification as held for sale, the assets are no longer depreciated. Assets and liabilities classified as held for sale are presented separately as current items in the Balance Sheet.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operation in the statement of profit and loss.

Additional disclosures are provided in note 31. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

(Currency: Indian Rupees in crores)

4

Property, Plant and Equipment

Particulars	Tangible Assets						Investment Property *	Right To Use			Intangible Assets									
	Land (Free Hold)	Buildings	Plant and Machinery	Office Equipments & Fixtures	Furniture & Fixtures	Vehicles		Computer Peripherals	Total	Vehicle	Building	Land (Lease Hold)	Computer software	Brand Relationship **	Customer Relationship **	Technology - Intellectual Property **	Mining Rights **	Total		
Gross Carrying Amount																				
Balance as at 01 April 2021	72.72	78.95	157.28	4.82	1.38	0.29	-	315.45	0.21	7.50	1.49	15.10	24.09	0.58	30.00	65.99	47.90	47.09	191.57	
Additions	-	3.09	16.24	0.68	0.04	0.04	-	20.09	-	3.99	0.38	-	4.37	0.20	-	-	-	-	0.20	
Disposals/Adjustment	-	-	3.69	0.02	0.00	0.38	-	4.10	-	5.84	0.13	-	5.97	0.01	-	-	-	-	0.01	
Other Adjustment	2.62	1.03	(0.27)	0.04	0.00	0.25	-	3.67	-	0.30	2.20	1.92	4.42	-	-	-	-	-	-	
Balance as at 31 March 2022	75.34	83.08	169.55	5.52	1.42	0.20	-	335.11	0.21	5.95	3.94	17.03	26.92	0.77	30.00	65.99	47.90	47.09	191.75	
Additions	-	0.47	24.32	1.69	0.01	-	0.06	26.54	-	2.77	-	-	2.77	10.38	-	-	-	-	10.38	
Disposals/Adjustment	0.87	1.22	1.29	-	-	0.07	-	3.45	-	3.14	-	(0.87)	2.27	-	-	-	-	-	-	
Disposal on slump sale (refer note 31)	16.01	54.09	172.91	4.24	1.30	0.07	0.06	248.68	-	6.93	2.73	2.82	12.48	10.81	-	34.87	39.87	47.04	132.60	
Other Adjustment	0.44	1.18	8.91	1.71	-	-	-	12.25	-	4.89	-	1.00	5.89	0.25	-	9.12	1.80	-	11.18	
Balance as at 31 March 2023	58.90	29.42	28.58	4.68	0.13	0.05	-	121.76	0.21	3.54	1.21	16.08	20.83	0.58	30.00	40.25	9.84	0.05	80.71	
Accumulated Depreciation																				
Balance as at 01 April 2021	-	16.84	34.46	1.54	0.28	0.14	-	53.25	-	2.16	0.30	1.06	3.53	0.29	4.70	5.06	2.70	5.05	17.80	
Depreciation for the year	-	10.33	15.28	1.02	0.17	0.08	-	26.89	-	1.70	1.17	0.52	3.38	0.37	1.61	5.18	5.86	4.73	17.75	
Accumulated depreciation on disposals	-	-	0.53	0.03	0.00	0.23	-	0.80	-	0.13	0.26	0.21	0.61	0.01	-	-	-	-	0.01	
Other Adjustment	-	0.42	(0.68)	0.02	0.00	0.00	-	(0.24)	-	0.03	-	0.12	0.15	-	-	-	-	-	-	
Balance as at 31 March 2022	-	27.59	48.53	2.55	0.45	(0.01)	-	79.10	-	3.76	1.20	1.49	6.44	0.65	6.31	10.24	8.55	9.78	35.54	
Depreciation for the year	-	5.15	20.75	1.03	0.14	0.03	0.05	27.14	-	2.15	0.40	0.41	2.96	1.60	1.78	4.84	4.66	3.78	16.66	
Accumulated depreciation on disposals	-	-	0.14	-	-	0.01	-	0.15	-	1.14	-	-	1.14	-	-	-	-	-	-	
Other Adjustment	-	0.49	6.64	1.67	-	-	-	8.80	-	(0.27)	-	1.10	0.83	0.35	(3.09)	7.85	4.68	(0.38)	9.41	
Reclassification	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Disposal on slump sale (refer note 31)	-	22.62	64.66	2.07	0.54	0.01	0.05	89.94	-	3.21	0.45	0.41	4.07	2.19	-	4.79	13.73	13.14	33.85	
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.00	-	-	-	25.00	
Balance as at 31 March 2023	-	10.61	11.12	3.18	0.04	0.00	-	24.96	-	1.29	1.14	2.59	5.01	0.41	30.00	18.13	4.18	0.04	52.76	
Net Carrying Amount																				
As at 31 March 2022	75.34	55.48	121.03	2.98	0.97	0.21	-	256.00	0.21	2.20	2.74	15.54	20.48	0.12	23.69	55.76	39.34	37.31	156.22	
As at 31 March 2023	58.90	18.80	17.47	1.50	0.08	0.05	-	96.80	0.21	2.25	0.07	13.49	15.82	0.17	-	22.11	5.66	0.01	27.95	

**

Pursuant to Scheme of Arrangement and Amalgamation, Company had recorded value of Brands; Customer relationship; Technology Intellectual Property; Mining right at amounting to Rs 30 crore; Rs 34.87 crore; Rs 39.87 crore and Rs 46.86 crore respectively acquired from Dalmia Refractories Limited and GSB India Private Limited based on the fair valuation carried out by independent valuer, as at the appointed date April 1, 2020 (refer note 31).

Pursuant to Scheme of Arrangement and Amalgamation, Dalmia GSB Refractories GMBH became subsidiary of the Parent Company, Customer relationship and Technology Intellectual Property at amounting to Rs 31.12 and Rs 8.03 crore respectively in the books of Dalmia GSB Refractories GMBH have been consolidated.

* Note

(i). The Parent Company's investment properties consist of freehold lands for capital appreciation. The Parent Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(ii). There is no material expenses incurred for the maintenance of investment properties nor income derived out of the same.

(iii). As at March 31, 2023, the fair value of the properties is Rs. 0.21 crore (March 31, 2022: Rs. 0.21 crore). The fair valuation of investment properties comprising lands are determined based on an annual evaluation performed by an accredited external independent valuer.

4 Property, plant and equipment

4 (a) Title deeds of immovable property not held in the name of the Group as at March 31, 2023, March 31, 2022.

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date (Appointed date)	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land	12.28	Dalmia Cement Bharat Limited	Promoter	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
	Freehold land	19.27	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company.
	Freehold land	21.25	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited are in the process of transferring in the name of the Company.
Property, plant and equipment	Building	0.21	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited are in the process of transferring in the name of the Company.
Investment Property	Freehold land	0.21	OCL India Limited	Title Deed Holder is the demerged company	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. The Company is in the process of transferring the property in its name.

Dalmia Bharat Refractories Limited
Notes to the Consolidated Financial Statements
as at 31 March 2023

(Currency: Indian Rupees in crores)

As at March 31, 2022

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date (Appointed date)	Reason for not being held in the name of the company
Property, plant and equipment	Freehold land	15.05	Dalmia Cement Bharat Limited	Promoter	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
	Freehold land	19.27	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
	Freehold land	35.00	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
	Freehold land	0.36	GSB Refractories India Private Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
Property, plant and equipment	Building	16.17	Dalmia Cement Bharat Limited	Promoter	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
	Building	17.67	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
	Building	5.87	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
	Building	6.06	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
	Building	4.44	Dalmia Refractories Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, Dalmia Refractories Limited and GSB Refractories India Private Limited have been merged with the Company. Therefore properties are in the name of Dalmia Refractories Limited and are in the process of transferring in the name of the Company.
	Building	1.89	GSB Refractories India Private Limited	Title Deed Holder is the amalgamated company	04/01/2020	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.
Investment Property	Freehold land	0.21	OCL India Limited	Title Deed Holder is the demerged company	04/01/2019	By virtue of NCLT order dated Feb 03, 2022, refractory undertaking of Dalmia Cement Bharat Limited have been acquired by the Company by the way of slump exchange. Therefore properties are in the name of Dalmia Cement Bharat Limited and are in the process of transferring in the name of the Company.

(Currency: Indian Rupees in crores)

4 (b) Capital work in progress ageing schedule as at March 31, 2023, March 31, 2022.

As at March 31, 2023	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
CWIP*					
Project in progress	-	0.02	-	-	0.02
Project temporarily suspended	-	-	-	-	-
Total	-	0.02	-	-	0.02

As at March 31, 2022	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
CWIP*					
Project in progress	4.65	16.85	0.29	0.05	21.83
Project temporarily suspended	-	-	-	-	-
Total	4.65	16.85	0.29	0.05	21.83

*The Group do not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

4 (c) Intangible assets under development ageing schedule as at March 31, 2023, March 31, 2022.

As at March 31, 2023	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Intangible assets under development					
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

As at March 31, 2022	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Intangible assets under development					
Project in progress	7.24	1.02	-	-	8.26
Project temporarily suspended	-	-	-	-	-
Total	7.24	1.02	-	-	8.26

Dalmia Bharat Refractories Limited
Notes to the consolidated financial statements

(Rs. in crore)

Note No.	Particulars	As at March 31, 2023	As at March 31, 2022
5	Non- Current Assets: Financial Assets		
	5.1 Investments		
	A <u>Quoted Investments</u>		
	Quoted Others (At FVOCI)		
	i 557.261 units of Tata Liquid Fund Regular Plan - Growth	-	0.19
	Quoted Equity Shares (At FVOCI)		
	i 27,000,000 (March 31, 2022: Nil) shares of RHI Magnesita India Limited of Re 1.00 each	1,701.81	-
	ii 698,952 (March 31, 2022: 698,952) shares of Dalmia Bharat Limited of Rs 2.00 each	137.57	104.47
		<u>1,839.38</u>	<u>104.66</u>
	Aggregate amount of Non-Current Investments:		
	Particulars		
	Aggregate amount of quoted investments	1,839.38	104.66
	Market value of quoted investments	1,839.38	104.66
	Aggregate amount of unquoted investments	-	-
	5.2 Loans		
	Advances to Employees		
	- Unsecured & Good	0.38	0.62
		<u>0.38</u>	<u>0.62</u>
	5.3 Other financial assets		
	Security Deposit	-	1.10
	Total	<u>-</u>	<u>1.10</u>
6	Other Non-current Assets		
	Prepaid expenses	-	0.30
		<u>-</u>	<u>0.30</u>
	Current Assets:		
7	Inventories		
	Raw materials	16.10	223.02
	Work - in - progress	2.28	21.46
	Finished goods	28.63	106.36
	Stock-in-trade	10.93	11.56
	Stores and spares	0.65	19.69
	Loose tools	-	0.10
	Goods in transit:		
	Inv. - In Transit	8.09	-
	Raw materials	-	9.65
	Stores and spares	-	0.17
		<u>66.68</u>	<u>392.01</u>
8	Current financial assets		
	8.1 Current Investments		
	A <u>Quoted Investments</u>		
	Mutual Funds (At FVTPL)		
	Axis Overnight Fund Direct Growth (35,85,357.94; March 31, 2022 : Nil)	425.07	-
		<u>425.07</u>	<u>-</u>
	Aggregate Book value of quoted investments	425.07	-
	Fair value of quoted investments	425.07	-
	Aggregate amount of unquoted investments	-	-

Dalmia Bharat Refractories Limited
Notes to the consolidated financial statements

8.2 Trade Receivables

- Trade Receivable considered good - Secured*	-	33.48
- Trade Receivable considered good - Unsecured	148.26	304.03
- Trade Receivables which have significant increase in Credit Risk	-	-
- Trade Receivables - credit impaired	1.66	17.17
	149.93	354.68
Less: Provision for expected credit loss	(1.66)	(17.17)
	148.26	337.51

* Secured against Letter of credit

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023							
i) Undisputed Trade receivables – considered good	101.22	43.42	0.74	0.50	1.62	0.76	148.27
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	0.34	-	-	1.29	0.03	1.66
iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	101.22	43.76	0.74	0.50	2.92	0.79	149.93
As at 31 March 2022							
i) Undisputed Trade receivables – considered good	207.13	121.45	-	7.74	0.27	0.92	337.51
ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade Receivables – credit impaired	-	-	-	2.63	3.60	7.82	14.04
iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade Receivables – credit impaired	-	-	-	0.87	0.49	1.77	3.13
Total	207.13	121.45	-	11.23	4.36	10.50	354.68

8.3 Cash & Cash Equivalents

Balances with banks		
- in Current Accounts	37.67	36.70
Gold coins/ Silver Coins/ Stamps	-	0.00
Deposits with maturity of less than three months	90.47	9.09
Funds in transit	-	4.29
Cash in hand*	0.00	0.03
	128.15	50.10

*Value is less than Rs. 50,000 as on March 31, 2023

8.4 Bank Balances

Fixed Deposits (of maturity exceeding three months but upto one year)*	86.09	3.55
Margin Money	1.98	0.04
Margin money with bank (including accrued interest)	-	-
- Earmarked for unpaid dividend	0.07	0.09
- Earmarked for Debenture and Interest	0.03	0.01
	88.17	3.69

*Deposits of Rs. 1.98 crore (31 March 2022 : Rs. 1.77 crore) pledged with banks for the purpose of DSRA.

There is no amount due and outstanding to be credited to the Investor Education and Protection Fund. During FY 2022-23, Rs. 0.01 crore (PY 2021-22 Rs. 0.01 crore) on account of unclaimed dividend was credited to the Investor Education and Protection Fund.

8.5 Loans

Amount recoverable from employees		
- Unsecured, considered good	0.15	0.23
	0.15	0.23

Dalmia Bharat Refractories Limited

Notes to the consolidated financial statements

8.6 Others Financial Assets

Unsecured, considered good		
- Interest receivable	2.69	0.04
- Slump sale consideration receivable	90.80	-
- Unbilled Revenue	5.18	-
- Other receivables*	25.61	2.63
- Unsecured & Good	-	0.96
	124.28	3.63

* For the financials year ended March 31, 2023 other receivables represents amount recoverable from Dalmia OCL Limited towards on behalf payments made by the Company and for the financials year ended March 31, 2022, other receivables includes amount receivable from Transferor company (Dalmia Cement Bharat Limited) outstanding receivables for expenses etc.

9 Current Tax Assets (net)

Advance income tax (net of provision for tax)	-	17.83
	-	17.83

10 Other Current Assets

Prepaid expenses	0.58	2.03
Advance to suppliers	1.67	5.10
Amount recoverable from others	4.58	18.98
Balance with statutory authorities	17.41	13.11
	24.24	39.22

11 Equity:

11.1 Share Capital

Authorised		
50,000,000 (31 March 2022 50,000,000) equity shares of Rs.10 each	50.00	50.00

Issued, Subscribed & fully paid up

4,42,00,107 (31 March 2022 4,42,00,107) equity shares of Rs.10 each	44.20	44.20
	44.20	44.20

(i) Reconciliation of number and amount of equity shares outstanding:

	No. of shares	Amount
As at 1 April 2021	70,000	0.07
Shares allotted pursuant to the scheme 1 and 2	3,23,25,280	32.33
Shares allotted pursuant to the conversion of CCD to equity shares	1,18,04,827	11.80
As at 31 March 2022	4,42,00,107	44.20
Movement during the year	-	-
As at 31 March 2023	4,42,00,107	44.20

(ii) Rights, restrictions and preferences attached to each class of shares

The Company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2023		As at March 31, 2022	
	Number	% Holding	Number	% Holding
Equity shares of 10 each fully paid				
Dalmia Cement (Bharat) Limited*	1,87,23,737	42.36%	1,87,23,737	42.36%
Akhyar Estate Holding Private Limited	98,40,692	22.26%	98,40,692	22.26%
Garvita Solution Services And Holding Private Limited	26,84,391	6.07%	26,84,391	6.07%

* Dalmia Cement (Bharat) Limited has proposed to transfer its share to Sarvapriya Healthcare Solutions Private Limited (promoter Entity) in the meeting held on March 26, 2023.

(iv) Details of shares held by promoters at the end of the year in the company

Shares held by promoters at the end of the Year March 31, 2023				
S. No.	Promoter's Name	No. of Shares	% of total shares	% Change during the Year
1	Dalmia Cement Bharat Limited (incl. nominees)	1,87,23,743	42.36%	-
2	Akhyar Estate Holdings Private Limited	98,40,692	22.26%	-
3	Garvita Solution Services And Holdings Private Limited	26,84,391	6.07%	-
4	Alirox Abrasives Limited	18,98,397	4.30%	-
5	Himgiri Commercial Ltd	39	0.00%	-
6	Keshav Power Limited	39	0.00%	-
7	Shree Nirman Limited	39	0.00%	-
8	Valley Agro Industries Limited	39	0.00%	-
	Total	3,31,47,379	74.99%	-

Shares held by promoters at the end of the Year March 31, 2022				% Change during the Year**
S. No.	Promoter's Name	No. of Shares	% of total shares	
1	Dalmia Cement Bharat Limited (incl. nominees)	1,87,23,743	42.36%	42.36%
2	Akhyar Estate Holdings Private Limited	98,40,692	22.26%	22.26%
3	Garvita Solution Services And Holdings Private Limited	26,84,391	6.07%	6.07%
4	Alirox Abrasives Limited	18,98,397	4.30%	4.30%
5	Himgiri Commercial Ltd	39	0.00%	0.00%
6	Keshav Power Limited	39	0.00%	0.00%
7	Shree Nirman Limited	39	0.00%	0.00%
8	Valley Agro Industries Limited	39	0.00%	0.00%
	Total	3,31,47,379	74.99%	74.99%

** Pursuant to Scheme 1 and 2 shares issued during the FY 2021-22.

11.2 Other Equity

a. Securities Premium Account

Opening balance	746.88	529.90
Share issued during the year	-	216.98
Closing balance	746.88	746.88

b. Capital Reserve

Opening balance	33.54	33.61
Movement during the year	(0.08)	(0.07)
Closing Balance	33.47	33.54

c. General Reserve

Opening Balance	0.73	-
Add: Transfer from Surplus balance	0.26	0.73
Closing Balance	0.99	0.73

d. Share Based Payment Reserve

Opening Balance	-	0.76
Employee share-based payment expense	-	0.55
Shares issued during the year	-	(1.31)
Closing Balance	-	-

e. Compulsory convertible debenture**

Opening balance	-	225.00
Share issued in lieu of CCD conversion	-	(225.00)
Closing Balance	-	-

f. Retained Earnings

Opening balance	32.95	11.72
Profit/(Loss) for the year	1,304.63	21.41
Less: Appropriations		
Dividend on shares	(2.21)	(0.32)
Transfer to General Reserve	(0.26)	
Actuarial Gain & Losses on DBO (net of tax)	(0.97)	0.14
Closing Balance	1,334.14	32.95

g. Other Comprehensive Income

Opening Balance	67.37	75.80
Addition during the period/ year (net of tax)	24.38	(8.43)
Total Income recognised on Equity instruments (net of tax)	91.75	67.37

h. Foreign currency translation reserve

Opening balance	13.12	4.75
Additions during the year	11.47	8.37
Closing balance	24.59	13.12

Total	2,231.81	894.59
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** 22,500,000 Compulsory Convertible Debentures (CCDs) of face value of Rs.100 each has been issued to DCBL as part of Scheme 1 (refer note 44).

CCDs were convertible into equity shares at any time by giving a prior notice of 30 days by either DCBL or DBRL. Each CCD unit were convertible in to 1,000 equity shares for 1,906 CCDs. These CCDs were converted into equity shares and 1,18,04,827 number of equity shares has been allotted to DCBL on 28/03/2022.

Nature and Purpose of Reserves

- Securities premium represents the amount received in excess of par value of securities. Securities Premium is utilised in accordance with the Provisions of the Companies Act, 2013.
- Capital Reserve arises pursuant to scheme 1 refer note 44
- Share based payments reserve - Amount attributable towards share options granted to an employee of the company has been credited to the reserve.
- Equity instruments through other comprehensive income - The Company has elected to recognise changes in the fair value of investment in equity instruments in other comprehensive income. The changes are accumulated with in Fair Value through Other Comprehensive Income equity instruments reserve with in equity. The Company will transfer the amount from this reserve to retained earnings when the relevant equity securities are derecognised.
- Capital reserve represents excess of consideration over net assets acquired.
- Foreign Currency Translation Reserve - Exchange differences arising on translating of the foreign operations as described in accounting policy are accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment in foreign subsidiaries are disposed off.

Dalmia Bharat Refractories Limited
Notes to the consolidated financial statements

Non - current liabilities:

12.1	Financial Liabilities		
	Lease Liabilities	1.52	3.01
		<u>1.52</u>	<u>3.01</u>

Note (i) The following is the movement in lease liabilities during the year :

Opening Balance	4.50	3.93
Add: Addition during the year	2.98	8.80
Add: Finance cost accrued during the year	0.34	0.75
Less: Payment of lease liabilities	(2.08)	(13.22)
Less: Reversal of lease liabilities	(1.02)	4.24
Less: Transfer on slump sale (refer note 31)	(2.32)	-
Closing Balance	<u>2.40</u>	<u>4.50</u>

The following is the contractual maturity profile of lease liabilities:

Less than one year	0.87	1.49
One year to five years	1.52	3.01
	<u>2.40</u>	<u>4.50</u>

12.2	Borrowing		
	Loan from banks		
	- Term Loan	58.85	80.88
		<u>58.85</u>	<u>80.88</u>

Loan of Rs. 71.64 crore as shown in long-term borrowings and current maturities of long term debt is secured by equitable mortgage of Factory Land and Building at Bochum unit of the Group. Also secured by first pari-passu charge over moveable fixed assets and hypothecation of Stocks and other current assets. No current assets belonging to Bochum unit are hypothecated for the purpose of this loan.

The interest rate for the said Term Loans is 3.04% and effective interest rate is 3.99%. The term loan has to be repaid in quarterly instalments. It is secured by 100% of the shares of DRLs investment in Dalmia GSB.

13	Provisions		
	Provision for employee benefits (Refer Note 35)		
	- Gratuity	0.86	6.17
	- Leave Encashment	0.24	0.68
	- Post Retirement Medical Benefit Obligation	2.87	2.36
	Provision for other liabilities	0.07	1.14
	Provision against asset retirement obligation*	5.24	9.83
		<u>9.28</u>	<u>20.18</u>

* The movement in provision for asset retirement obligation is as follows:

Opening Balance	9.83	9.51
Addition pursuant to Scheme of amalgamation		
Unwinding of discount (Refer Note 24)	0.41	0.47
Payments	(5.00)	(0.15)
Closing Balance	<u>5.24</u>	<u>9.83</u>

14	Deferred Tax Liability		
	Deferred tax liability		
	Property, plant and equipment	7.52	31.20
	Other intangibles	-	-
	Investments	3.00	0.24
	Lease arrangements	(0.59)	0.68
	Others	-	-
	Gross deferred tax liability	<u>9.94</u>	<u>32.12</u>
	Less: Set off	(9.61)	(16.05)
	Net deferred tax liability	<u>0.33</u>	<u>16.08</u>
	Deferred tax assets		
	Provision for doubtful debts	-	3.29
	Provision for asset retirement obligation	1.32	2.78
	Employee benefits	18.60	2.53
	Unabsorbed depreciation	-	2.75
	Provision for expenses	3.27	4.70
	Gross deferred tax assets	<u>23.19</u>	<u>16.05</u>
	Less: Set off	(9.61)	(16.05)
	Net deferred tax assets	<u>13.58</u>	<u>-</u>

Movement in temporary differences

(i)

FY 22-23

Deferred tax liabilities
Property, plant and equipment
Other intangibles
Investments
Lease arrangements
Others

Opening Balance	Recognised in Profit & Loss Account	Recognised in other comprehensive income	Closing balance
31.27	(23.75)	-	7.52
-	-	-	-
0.24	-	2.77	3.00
0.60	(1.20)	-	(0.59)
0.23	(0.23)	-	-
32.34	(25.17)	2.77	9.93

Deferred tax (assets)
Provision for doubtful debts
Provision for expenses
Provision for contingent liability
Provision for asset retirement obligation
Employee benefits
Unabsorbed depreciation

(3.29)	3.29	-	-
(4.92)	1.65	-	(3.27)
(0.00)	0.00	-	-
(2.78)	1.46	-	(1.32)
(2.49)	(15.79)	(0.33)	(18.60)
(2.05)	2.06	-	0.01
(15.53)	(7.32)	(0.33)	(23.18)

Net Deferred tax liability / (asset)

16.81	(32.50)	2.44	(13.25)
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FY 21-22

Deferred tax liabilities
Property, plant and equipment
Other intangibles
Investments
Lease arrangements
Others

Opening Balance	Recognised in Profit & Loss Account	Recognised in other comprehensive income	Closing balance
29.72	1.55	-	31.27
-	-	-	-
0.99	-	(0.75)	0.24
0.74	(0.14)	-	0.60
0.22	0.01	-	0.23
31.67	1.42	(0.75)	32.34

Deferred tax (assets)
Provision for doubtful debts
Provision for expenses
Provision for contingent liability
Provision for asset retirement obligation
Employee benefits
Unabsorbed depreciation

(3.61)	0.32	-	(3.29)
-	(4.92)	-	(4.92)
(0.22)	0.22	-	(0.00)
(2.39)	(0.39)	-	(2.78)
(2.37)	(0.07)	(0.05)	(2.49)
(7.79)	3.39	-	(2.05)
(16.38)	(1.44)	(0.05)	(15.53)

Net Deferred tax liability / (asset)

15.30	(0.02)	(0.80)	16.81
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Dalmia Bharat Refractories Limited

Notes to the consolidated financial statements

Current liabilities:

15 Financial Liabilities

15.1 Borrowings

Secured - at amortised cost

Loans from banks repayable on demand

- Cash Credit	-	44.22
- Buyers Credit	-	7.12
- Factoring of trade receivables	17.75	14.67
- Bill Discounting	-	1.70

Term loans

- Current maturity of long term borrowings	12.79	10.06
	30.54	77.77

- 1 During the financial year March 31, 2022, the borrowings of Rs 13 crore pursuant to plant Dalmiapuram, Khambalia and Rajgangpur are secured by first pari passu charge on the entire current assets of respective plants.
- 2 During the financial year March 31, 2022, the borrowings of Rs 33 crore pursuant to plant Dalmiapuram and Khambalia are secured by first pari passu charge on the entire current assets, moveable fixed assets and by equitable mortgage of immovable fixed assets both present and future, (excluding vehicles financed by other banks/FIs) of respective plants.
- 3 During the financial year March 31, 2022, Cash credit from banks referred above were secured by hypothecation of inventories and trade receivable by way of first pari passu charge with all other banks in the consortium and carried interest rate in the range of 7.40% p.a. to 7.85 % p.a.
- 4 The Company has taken the factoring facility against trade receivables. These factoring are in the nature of recourse and company is liable to pay in case of default from trade receivables.

15.2 Trade Payables

(a) Total outstanding dues of Micro and Small Enterprises (Refer note below)	0.01	29.82
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	183.69	252.92
Total	183.70	282.74

a) Trade Payables aging schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than a year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023						
MSME	0.01	0.00	-	-	-	0.01
Others	63.44	117.78	1.49	0.46	0.53	183.70
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
Total	63.45	117.78	1.49	0.46	0.53	183.71
As at 31 March 2022						
MSME	22.78	7.04	-	-	-	29.82
Others	197.60	47.70	3.91	2.50	-	252.91
Disputed dues MSME	-	-	-	-	-	-
Disputed dues Others	-	-	-	-	-	-
Total	220.38	54.74	3.91	2.50	-	282.74

b) Details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the company is as under:

Particulars

Principal amount and remaining unpaid	0.01	29.82
Interest due on above and unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years	-	-
	0.01	29.82

15.3 Other financial liabilities

Unpaid matured debentures and interest	0.03	0.03
Unpaid dividend	0.07	0.09
Payable towards purchase consideration of Investment	-	0.16
Security deposit	-	2.07
Interest payable on income tax	8.75	-
Other liabilities	2.77	6.21
Employee accrued liabilities	-	0.02
	11.63	8.58

16 Current Tax Liabilities (net)

Provision for income tax (net of advance tax)	416.30	-
	416.30	-

Dalmia Bharat Refractories Limited

Notes to the consolidated financial statements

17	Other current liabilities		
	Advances from Customers	8.06	39.51
	Security deposits	-	0.84
	Statutory Liabilities	12.85	2.94
	Other Payables	1.92	18.90
		<u>22.83</u>	<u>62.19</u>
18	Provisions		
	Provision for employee benefits (Refer Note 35)		
	- Leave Encashment	0.04	0.87
	- Gratuity	0.56	2.54
	Provision towards mining litigation	72.20	-
	Other Provision	5.01	15.49
	Provision for warranty	1.35	12.57
		<u>79.17</u>	<u>31.68</u>

Note No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
19	Revenue from operations		
A.	Sale of products		
	Refractories	251.53	250.57
	Traded goods	91.64	49.83
		<u>343.17</u>	<u>300.40</u>
B.	Sale of Services	1.89	0.01
C.	Other Operating Revenue		
	Scrap Sales	0.00	-
	Others	0.69	-
		<u>0.69</u>	<u>-</u>
		<u>345.75</u>	<u>300.41</u>
	Disaggregated revenue information is disclosed above.		
	Reconciliation of Revenue from operations with contract price:		
	Particulars		
	Contract Price	345.75	300.41
	Reduction towards variable consideration components	-	-
	Revenue from Operations	<u>345.75</u>	<u>300.41</u>
20	Other income		
	Interest income from bank/others	8.54	0.13
	Dividend income	0.57	0.34
	Fair value gain on investments at fair value through profit and loss	0.06	-
	Provision/liabilities no longer required written back	0.09	0.00
	Corporate guarantee income	-	0.01
	Profit on Sale of current investments	1.17	-
	Profit on Sale of property, plant and equipment	-	0.12
	Foreign exchange fluctuations	2.25	-
	Other non-operating income	0.23	0.19
		<u>12.92</u>	<u>0.79</u>
21	Cost of Materials consumed		
	Raw material consumed	62.38	79.23
		<u>62.38</u>	<u>79.23</u>
22	Change in inventories of finished goods and work-in-progress		
	Inventories at the beginning of the year		
	Work-in-Progress	21.46	14.43
	Traded goods	11.56	9.17
	Finished Goods	106.36	72.63
		<u>139.38</u>	<u>96.23</u>
	Less: Inventories at the end of the year		
	Work-in-Progress	2.28	21.46
	Traded goods	10.93	11.56
	Finished Goods	28.63	106.36
		<u>41.84</u>	<u>139.38</u>
	Change in inventories of finished goods and work-in-progress	97.54	(43.15)
	- Discontinued operations	105.16	(41.96)
	- Continuing operations	(7.62)	(1.19)
23	Employee benefits expense		
	Salaries, wages, allowances & commission	45.01	24.53
	Contribution to provident & other funds	4.77	4.56
	Employee share-based payment expense	-	0.55

Dalmia Bharat Refractories Limited
Notes to the consolidated financial statements

	Gratuity & Pension	0.38	0.46
	Staff welfare expense	0.30	0.36
		50.46	30.46
24	Finance costs		
	Interest on borrowing	-	3.87
	Unwinding Discount	0.04	-
	Interest on Income Taxes	8.75	-
	Interest - Others	4.02	0.07
		12.81	3.94
25	Depreciation expense		
	Depreciation of tangible assets	4.12	2.47
	Amortization of right of use assets	0.15	2.16
	Amortization of intangible assets	6.53	4.25
	Impairment loss on intangible assets	25.00	-
		35.81	8.88
26	Other expenses		
	Consumption of stores & spare parts	2.53	-
	Power and fuel	5.93	4.87
	Packing, freight & transport	9.34	9.37
	Commission	0.74	0.00
	Rent	0.48	0.57
	Repairs to buildings	0.00	0.14
	Repairs to machinery	2.79	1.45
	Insurance	0.86	0.34
	Rates and taxes	5.29	0.34
	Payment to the auditors		
	- Statutory Audit fees	0.74	0.60
	- Limited Review fees	0.16	-
	- Tax Audit Fees	-	0.16
	- for reimbursement of expenses	0.09	0.01
	Advertisement & publicity	0.22	0.45
	Provision for expected credit loss	0.34	-
	Bad Debt written off	0.28	0.03
	Foreign Exchange Fluctuations	0.31	-
	Travelling & Conveyance	0.94	1.35
	Payment to contractors	4.92	4.41
	Professional & Legal Fees (net of reimbursement of expenses)	3.55	0.82
	Director Fees	0.17	0.08
	Management Fees/ Corporate Gaurantee	0.01	-
	Corporate social responsibility expenses (Refer Note 37)	0.20	0.42
	Warrenty expenses	2.06	-
	Miscellaneous expenses	9.75	14.45
		51.69	39.86
27	Exceptional Items		
	Profit on disposal of refractory business on slump sale basis (including refractory business in subsidiary companies) { refer note 31}	1,759.87	-
		1,759.87	-
28	Tax expense		
	Continuing operations		
	Current tax	429.54	12.58
	<u>Deferred tax</u>		
	- Deferred tax credit	(15.09)	(0.08)
	Total income tax expense for continuing operations	414.45	12.50
	Discontinued operation		
	Current tax	19.16	-
	<u>Deferred tax</u>		
	- Deferred tax credit	(16.62)	0.05
	Total income tax expense/ (credit) for discontinued operation	2.54	0.05
	Net income tax expense reported in the statement of profit and loss	416.99	12.56

Dalmia Bharat Refractories Limited**Notes to the consolidated financial statements****Reconciliation of income tax expense and the accounting profit multiplied by****Company's tax rate:**

Profit before tax from continuing operations	1,749.45	34.62
Profit/ (loss) before tax from discontinued operation	(25.86)	0.77
Accounting profit before tax	1,723.59	35.39
Income tax expense calculated at 25.168% (including surcharge and education cess)	433.79	8.91
Other difference due to temporary difference in tax base		-
Effect of income that is not chargeable to tax	(0.14)	(0.77)
Effect of income chargeable at different rate of tax	(45.01)	
Effect due to slump sale	22.99	
Impact of change in tax rate	(2.15)	1.16
Effect of expenses that are deductible in determining taxable profit	(0.83)	(0.02)
Effect of expenses that are non-deductible in determining taxable profit	8.34	3.28
Total income tax expense recognised in profit & loss account	416.99	12.56

29 Other Comprehensive Income

Item that will not be reclassified to profit or loss		
- Actuarial loss on defined benefit obligation	(1.29)	0.19
- Income Tax relating to Actuarial Loss	0.33	(0.05)
- Fair valuation of equity instruments at FVOCI	27.15	(7.69)
- Income Tax relating to fair valuation of investments	(2.77)	(0.75)
Item that will be reclassified to profit or loss		
-Exchange differences in translating the financial statements of foreign operations	11.47	8.51
Total Other Comprehensive Income	34.87	0.21

30 Earnings per Share**Continuing operations**

Net profit/ (loss) for the year attributable to Shareholders	1,335.00	22.12
Number of equity shares considered for calculation of basic and diluted earning per share	4,42,00,107	4,42,00,107
Earnings/(Loss) per share of Rs. 10 each (in Rs.) Basic and Diluted	302.04	5.00

Discontinued operation

Net profit/ (loss) for the year attributable to Shareholders	(30.36)	(0.71)
Number of equity shares considered for calculation of basic and diluted earning per share	4,42,00,107	4,42,00,107
Earnings/(Loss) per share of Rs. 10 each (in Rs.) Basic and Diluted	(6.87)	(0.16)

Continuing and discontinued operations

Net profit/ (loss) for the year attributable to Shareholders	1,304.63	21.41
Number of equity shares considered for calculation of basic and diluted earning per share	4,42,00,107	4,42,00,107
Earnings/(Loss) per share of Rs. 10 each (in Rs.) Basic and Diluted	295.16	4.84

(Currency: Indian Rupees in crores)

31 Transfer of refractory business on slump sale basis (Discontinued operation)

The Board of Directors and Shareholders of Dalmia Bharat Refractories Limited ("DBRL", "the Company") in its meeting held on 19th November, 2022 and extra-ordinary general meeting held on 21st December, 2022, respectively, has approved the transfer of its Refractory Business in India to RHI Magnesita India Ltd ("RHI"). The details of this transaction are as under:

a. Transfer of Indian Refractory Business of the Company to Dalmia OCL Limited (a wholly owned subsidiary company):

As per Business Transfer Agreement (BTA) dated 19th November, 2022 and amendment thereto, the Company has transferred its entire Indian Refractory Business consisting of its manufacturing facilities at (i) Rajgangpur, Orissa; (ii) Dalmiapuram, Tamil Nadu; (iii) Khambalia, Gujarat; (iv) Bhilai, Chhattisgarh; and its investment in subsidiary namely Dalmia Seven Refractories Limited having 51% shareholding, on closing date, on going concern basis to its wholly owned subsidiary company, Dalmia OCL Limited at an agreed consideration of Rs. 2,191.85 Crore (including working capital). The above said consideration is settled by way of allotment of 8,24,83,642 equity shares of Dalmia OCL Limited to the Company, at a price of Rs. 207.04 /- per share, aggregating to Rs. 1,707.76 Crore and a cash consideration including the closing adjustments in net working capital and debt adjustments.

DBRL has received the base cash consideration amounting to Rs. 393.29 Crore and determined the Cash consideration for working capital to Rs. 90.80 Crores. The transfer of business has been concluded on January 04, 2023.

(Rs. in crore)	
Particulars	As at January 04, 2023
Fair value of shares received in wholly owned subsidiary company, Dalmia OCL Limited	1,707.76
Cash Consideration	393.29
Cash Consideration for working capital	90.80
Total consideration	2,191.85
Less: Carrying amount of net assets transferred (refer below)	399.94
Less: expenses towards business transfer	32.04
Gain on disposal of refractory business pursuant to BTA is presented as exceptional item in statement of profit and loss (Net of loss of cessation of control of the subsidiaries)	1759.87

The carrying amount of assets and liabilities of refractory business as at the date of slump sale i.e. January 04, 2023 are as follows:

(Rs. in crore)	
Particulars	As at January 04, 2023
Property, plant and equipments	159.45
Right of use assets	5.20
Other intangible assets	101.23
Capital work-in-progress	11.84
Investments	23.90
Inventories	379.37
Trade receivables	315.74
Bank Balances	3.40
Loans	0.30
Other non-current assets	0.51
Other financial assets	4.73
Other assets	32.29
Total assets (A)	1,037.97
Borrowings	175.77
Lease liabilities	5.76
Trade payables	381.43
Other financial liabilities	1.72
Other current liabilities	39.50
Provisions	24.06
Non Controlling Interests	9.79
Total liabilities (B)	638.03
Carrying amount of net assets transferred (A-B)	399.94

b. Transfer of Company's investments in Dalmia OCL Limited to RHI:

As per Share Swap Agreement dated 19th November, 2022, the Company has transferred its entire investment in Dalmia OCL Limited to RHI, at an consideration of 2,70,00,000 equity shares of RHI allotted to the Company on preferential basis, amounting to Rs. 1,707.76 Crore. The Company's investment in Dalmia OCL Limited has been transferred to RHI on January 04, 2023, consequently, Dalmia OCL Limited has ceased to be a subsidiary of the Company.

c. In view of above transaction, the Indian Refractory Business have been considered as discontinued operations in accordance with Ind AS 105 (Non-current Assets Held for Sale and Discontinued Operations). Continuing Operations of the group represents Trading activity of Magnesita Carbon business and internation business. The Financial performances of the Discontinued Operation for the relevant period ended are as below:

Dalmia Bharat Refractories Limited
Notes to the consolidated financial statements

c. In view of above transaction, the Indian Refractory Business have been considered as discontinued operations in accordance with Ind AS 105 (Non-current Assets Held for Sale and Discontinued Operations). Continuing Operations of the group represents Trading activity of Magnesia Carbon business and intermation business. The Financial performances of the Discontinued Operation for the relevant period ended are as below:

(Rs. in crore)

Particular	Year Ended	
	March 31, 2023	March 31, 2022
Financial Performance :		
Revenue including other income	1,099.36	947.43
Total expenses	1,151.62	946.66
Profit before exceptional item and tax	(52.26)	0.77
Exceptional item*	26.39	-
Profit after exceptional item and before tax	(25.87)	0.77
Tax expenses	2.54	0.05
Profit for the period / year from discontinued operation	(28.41)	0.72
Cashflow disclosure		
Net cash flow (used in) operating activities	58.29	0.66
Net cash flow (used in) investing activities	(13.28)	(6.46)
Net cash flow from financing activities	99.81	0.30
Net increase/(decrease) in cashflow from discontinued operation	144.82	(5.50)

*During the June'22 quarter, the parent company has finalized arbitration proceedings with one of the customer for old receivable amount and interest thereon against the supply of products . The parent company has written back provision for doubtful debt amounting Rs 3.38 Crore against the customer outstanding balance. The parent company has also recognised interest income of Rs 26.39 Crore on the claimed amount as part of the arbitration proceedings. Interest income has been presented as exceptional item in the profit and loss. Further, outstanding and interest amount has been realised.

d. Accordingly, the results of Indian Refractory Business is excluded from above financial statements for pervious year presented and the effect on the amount of Revenue, Profit and Earnings per Share published in previous year are as given below:-

(Rs. in crore)

Particular	Year Ended
	March 31, 2022
Revenue from operations - Continuing Operation	
As per published in previous year	1,240.98
As restated for the effect of sale/transfer	300.41
Profit / (Loss) after tax - Continuing Operation	
As per published in previous year	22.83
As restated for the effect of sale/transfer	22.12
Earning per share - Continuing Operation	
As per published in previous year	4.84
As restated for the effect of sale/transfer	5.00

32 Capital Commitments

(Rs. in crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	6.69
Other commitments	-	3.66

33 Contingent Liabilities

(Rs. in crore)

S.No.	Particulars	As at March 31, 2023	As at March 31, 2022
i	Claims against the company not acknowledged as debt and being contested before the appropriate authorities.		
-	Service tax matters	-	3.50
-	Sales tax matters	-	1.46
ii	Other matters	12.11	88.42

34 Segment Information

(i) General Disclosure

As per Indian Accounting Standard 108 on "Operating Segment " (IND AS 108), the Group has identified and reported geographical as primary segment taking into account the differing risks and return, the organization structure and the internal reporting system.

These Segments are organized into two main business segment based on geographies:

- (a) Domestic : Operations within India
- (b) International : Operations Outside India.

(ii) Entity-wide disclosure required by IND AS 108 are made as follows:

Particular	As at March 31, 2023	As at March 31, 2022 *
1. Segment Revenue		
(a) Domestic	96.48	88.34
(b) International	262.19	212.86
Total	358.67	301.20
Less : Inter segment Revenue	-	-
Total Revenue from Continuing Operation	358.67	301.20
(a) Domestic	1,099.09	947.43
(b) International	-	-
Total	1,099.09	947.43
Less : Inter segment Revenue	-	-
Total Revenue from Discontinued Operation	1,099.09	947.43
Total Revenue from Continuing and Discontinued Operation	1,457.76	1,248.63

2. Segment Results		
(a) Domestic	(30.96)	16.47
(b) International	33.35	22.09
Total	2.39	38.56
Less : Finance Cost	12.81	3.94
Profit Before Tax from Continuing Operation	(10.41)	34.62
(a) Domestic	(46.74)	8.39
(b) International		-
Total	(46.74)	8.39
Less : Finance Cost	5.52	7.61
Profit Before Tax from Discontinued Operation	(52.25)	0.77
Profit Before Tax and Exceptional items from Continuing Operation and Discontinued Operation	(62.67)	35.39
3. Segment Assets		
(a) Domestic	2,750.34	372.63
(b) International	346.53	303.93
Total from Continuing Operation	3,096.87	676.56
(a) Domestic	-	859.28
(b) International	-	-
Total from Discontinued Operation	-	859.28
Segment Assets from Continuing and Discontinued Operation	3,096.87	1,535.85
4. Segment Liability		
(a) Domestic	660.62	17.61
(b) International	154.44	186.88
Total from Continuing Operation	815.07	204.49
(a) Domestic	-	380.10
(b) International	-	-
Total from Discontinued Operation	-	380.10
Segment Liability from Continuing and Discontinued Operation	815.07	584.59

* Restated

(iii) Information about major customers:

There is no customer in FY 2022-23 and in FY 2021-22 where revenue from customer exceeds 10 per cent or more from each customer of Group's revenues.

35 Employee Benefits

Gratuity

The Company has a defined benefit gratuity plan. The gratuity is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is funded through Gratuity Fund Trust with an insurance company in the form of a qualifying insurance policy. The Trust is responsible for the administration of the plan assets and for the determination of investment strategy. The Company makes provision of such gratuity asset/ liability in the books of account on the basis of actuarial valuation carried out by an independent actuary.

A. Statement of profit and loss

Net employee benefit expense

(Rs. in crore)

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Current Service cost	0.20	0.03	1.21	0.24
Interest Cost	1.01	0.10	0.31	0.04
Expected return on plan asset	(0.43)	-	(0.46)	(0.03)
Total Expense	0.79	0.14	1.06	0.25
Continuing operations	0.38	0.05	0.47	0.03
Discontinued operations	0.41	0.09	0.59	0.22

B. Balance Sheet

(i) Details of Plan assets/ (liabilities) for Gratuity and Leave Encashment

(Rs. in crore)

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Present value of Obligation as at year-end	1.42	0.28	14.91	1.55
Fair value of plan assets	-	-	6.20	(0.00)
Net Asset/(Liability) recognized in the Balance Sheet	(1.42)	(0.28)	(8.71)	(1.55)

(ii) Changes in the present value of the defined benefit obligation are as follows:

(Rs. in crore)

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Opening defined benefit obligation	14.91	1.55	14.61	0.59
Disposal on account of Slump Sale (refer note 31)	(14.78)	(1.03)	-	-
Interest cost	1.01	0.10	0.31	0.04
Current service cost	0.20	0.03	1.21	0.24
Benefit paid	(1.11)	(0.15)	(1.03)	(0.05)
Actuarial (gains)/losses on obligation	1.19	(0.22)	(0.19)	0.73
Closing defined benefit obligation	1.42	0.28	14.91	1.55

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

	<i>(Rs. in crore)</i>	
Particulars	2022-23	2021-22
Opening fair value of plan assets	6.25	6.83
Disposal on account of Slump Sale (refer note 31)	(6.58)	-
Expected return on Plan Assets	0.33	0.46
Benefits paid	-	(1.04)
Closing fair value of plan assets	-	6.25

(iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2022-23	2021-22
Discount rate (%)	7.36%	6.84%-7.18%
Expected salary increase (%)	7.00%	7.00%
Demographic Assumptions		
Retirement Age (year)	58 years	58 years
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Particulars	2022-23	2021-22
Withdrawal rate		
Up to 30 Years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

(v) Contribution to defined contribution plans:

	<i>(Rs. in crore)</i>	
Particulars	2022-23	2021-22
Continuing operations	4.77	6.96
Discontinued operations	2.76	0.15
Provident and other funds	7.53	7.11

(vi) Sensitivity analysis of the defined benefit obligation:

Particulars	2022-23		2021-22	
	Gratuity	Leave encashment	Gratuity (funded)	Leave encashment
Impact of the change in discount rate				
Impact due to increase of 0.5%/1%	(0.03)	(0.01)	(0.29)	(2.03)
Impact due to decrease of 0.5%/1%	0.03	0.01	0.31	2.19
Impact of the change in salary increase				
Impact due to increase of 0.5%/1%	0.03	0.01	0.31	2.17
Impact due to decrease of 0.5%/1%	(0.03)	(0.01)	(0.29)	(2.03)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

(vii) Other comprehensive income (OCI):

Particulars	(Rs. in crore)	
	2022-23	2021-22
	Gratuity	
Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain/(loss) for the year on PBO	(1.19)	0.19
Actuarial gain/(loss) for the year on plan asset	(0.10)	-
Unrecognized actuarial gain/(loss) at the end of the year	-	-
Total actuarial gain/(loss) at the end of the year	(1.29)	0.19

36 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

A. Relationships

i. Significant Share Holding

Dalmia Cement (Bharat) Limited

ii. Enterprises controlled/jointly controlled by Promotors / Key Management Personnel of the Significant shareholder:

Adhunik Cement Limited
 Alirox Abrasives Limited
 Alsthom Industries Ltd
 Calcom Cement (India) Limited
 Dalmia Bharat Group Foundation
 Dalmia DSP Limited (merged with Dalmia Cement (Bharat) Limited as per the order from NCLT dated June 10, 2022)
 Dalmia Institute of Scientific & Industrial Research
 Dalmia Magnesite Corporation
 Dalmia Bharat Limited
 Dalmia Bharat Sugar & Industries Limited
 Garvita Solution Services and Holdings Private Limited
 Govan Travels (Prop. Dalmia Bharat Sugar & Industries Limited)
 Himgiri Commercial Limited
 Keshav Power Limited
 Murli Industries Limited (merged with Dalmia Cement (Bharat) Limited as per the order from NCLT dated June 10, 2022)
 Shree Nirman Limited
 Shri Chamundeswari Minerals Limited
 SNCCIL Employees Group Gratuity Scheme
 Sarvapriya Healthcare Solutions Private Limited
 Valley Agro Industries Limited

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Consolidated Notes to the financial statements

iii. Key Managerial Person and Directors

Mr. Sameer Nagpal - Managing Director and Chief Executive Officer
 Mr. Sikander Yadav - Chief Financial Officer (upto January 06, 2023)
 Ms Akansha Jain - Company Secretary (upto June 20, 2022)
 Ms Meghna Saini - Company Secretary (wef June 21, 2022)

B. The following transactions were carried out with the related parties in the ordinary course of business (Net of taxes):

(Rs. in crore)

Nature of Relationship	Name of Related Party	Nature of Transaction	For the year	
			2022-23	2021-22
Promoter Controlled enterprises	Dalmia Cement (Bharat) Limited	Sale of refractories	69.84	17.39
		Purchase of goods	17.30	7.69
		Loan repaid	-	23.50
		Professional Charges	0.35	0.31
		Reimbursement of Expenses	-	0.14
		Interest on Loan taken	-	1.46
		Issue of equity shares	-	130.54
		Issue of equity shares in lieu of CCD	-	225.00
	Dalmia Bharat Limited	Payment for management services	0.26	3.02
	Govan Travels (Prop. Dalmia Bharat Sugar & Industries Limited)	Air / Rail ticketing	2.52	1.16
	Dalmia Bharat Sugar & Industries Limited	Purchase of sanitizer	-	0.03
		Sale of Goods	5.35	-
		Purchase of goods	11.23	-
	Alsthom Industries Ltd	Sale of Goods	0.01	0.00
	CALCOM Cement India Limited	Sale of refractories	6.13	1.72
	Dalmia DSP Limited*	Sale of refractories	-	0.82
	Dalmia Magnesite Corporation	Sale of services	-	0.02
		Purchase of services	-	0.11
	Murli Industries Limited*	Sale of refractories and services	-	7.56
	Dalmia Institute of Scientific & Industrial Research	Sale of services	-	0.68
Dalmia Bharat Group Foundation	Corporate social responsibility	0.17	0.42	
Shri Chamundeswari Minerals Limited Hingiri Commercial Limited	Services charges	0.00	-	
	Interest	0.01	-	
	Loan taken	0.00	-	
	Refund of loan	0.08	-	
Key Managerial Personnel	Mr. Sameer Nagpal- MD & CEO Mr. Sikander Yadav- CFO Ms. Akansha Jain- CS Ms. Meghna Saini - CS	Salary & perquisites	20.34	2.49
			0.86	0.30
			0.03	0.11
			0.18	-

*Merged with Dalmia Cement (Bharat) Limited as per the order from NCLT dated June 10, 2022.

C. Balances outstanding at year end:

(Rs. in Crore)

Nature of	Name of Related Party	Nature of Transaction	31-Mar-23	31-Mar-22
Promoter Controlled enterprises	Dalmia Cement (Bharat) Limited	Outstanding balance at year end (Amount Receivable)	-	0.66
	Murlis Industries Limited		-	0.83
	Dalmia Cement (Bharat) Limited	Outstanding balance at year end (Amount payable)	-	4.13
	Dalmia Bharat Limited		-	0.04
	Govan Travels (Prop. Dalmia Bharat Sugar & Industries Limited)		0.07	0.14
	Dalmia Magnesite Corporation		-	0.02
KMP	Mr. Sameer Nagpal	Loan given to KMP	0.43	0.59

Since, the Parent Company has transferred its entire Indian Refractory Business along with its investment in subsidiary namely Dalmia Seven Refractories Limited and Dalmia OCL Limited to RHI Magnesita India Ltd ("RHI") on January 04, 2023. Therefore all related party transactions of subsidiaries namely Dalmia Seven Refractories Limited and Dalmia OCL Limited are shown till January 04, 2023. Refer note 31 for further details.

37 Disclosure in respect of Corporate social responsibility expenses

	2022-23	2021-22
(i) Gross amount required to be spent during the year	-	-
(ii) Amount spent during the year * :	-	-
- Construction/acquisition of any asset	-	-
- On purposes other than above	0.17	0.42

* includes Rs. 0.17 Cr (March 31, 2022: Rs. 0.42 Cr) paid to a related party (Dalmia Bharat Group Foundation) (Refer note 36). This amount was spent on livelihood project, item no II & III of schedule VII of the companies act 2013.

The provisions of Section 135 of the Companies Act, 2013 were not applicable on a standalone basis to the Company for the Financial Year ended March 31, 2023.

38 The Company has debited direct expenses relating to bauxite mining to cost of raw materials consumed reflected under discontinued operations (refer note 32) are as under:

Particulars	2022-23	2021-22
Employee benefit expenses	1.22	0.93
Power and fuel expense	0.65	7.05
Other expenses:		
Consumption of stores and spare parts	0.10	0.15
Repairs and maintenance - Plant and machinery	0.04	0.68
Repairs and maintenance - Buildings	-	0.02
Repairs and maintenance - Others	-	-
Rates & taxes (including royalty on limestone)	0.09	0.59
Insurance	-	-
Professional charges	0.37	-
Advertisement and sales promotion	0.03	-
Miscellaneous expenses	3.55	12.48
	6.05	21.91

39 Dividend

The Board of directors of the Parent Company has recommended final dividend of 15%, i.e. Re 1.50 per equity share for the year ended 31st March 2023 subject to the approval of shareholders.

40 Events occurring After the Balance Sheet date

- The Parent Company entered into Share Purchase Agreement with RHI Magnesita Deutschland AG to sell and transfer wholly owned subsidiary company namely Dalmia GSB Refractories GmbH. Shareholders in its extra ordinary general meeting held on 20th April 2023, considered and approved the disposal of said wholly owned subsidiary company to RHI Magnesita Deutschland AG.
- No other adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

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(Currency: Indian Rupees in crores)

41 The subsidiaries considered in the consolidated financial statements are :-

Name of Company	Principal place of business	Proportion (%) of shareholding As at 31 March 2023	Proportion (%) of shareholding As at 31 March 2022
OCL Global Limited	Mauritius	100%	100%
OCL China Limited	China	90%	90%
Dalmia OCL Limited (Ceased to be subsidiary from January 05, 2023)	India	0%	100%
Dalmia Seven Refractories Limited (Ceased to be subsidiary from January 05, 2023)	India	0%	51%
Dalmia GSB Refractories GmbH	Germany	100%	100%
Dalmia Mining and Services Private Limited*	India	100%	0%

* Become wholly owned subsidiary from March 10, 2023

42 Financial information of subsidiary that have material non-controlling interests is provided below:-

Summarised financial information

Summarised financial information for subsidiary that has non-controlling interest that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

Summarised balance sheet	Non-current assets	Non-current liabilities	Net non-current assets	Current assets	Current liabilities	Net current assets / (liabilities)	Net assets	NCI
OCL China Limited								
31 March 2023	34.47	-	34.47	43.63	19.92	23.71	10.76	5.82
31 March 2022	36.09	-	36.09	50.18	27.91	22.27	58.36	5.21
Dalmia Seven Refractories Limited*								
31 March 2023	-	-	-	-	-	-	-	-
31 March 2022	27.25	14.98	12.27	45.98	43.44	2.54	14.81	7.25

*Ceased to be subsidiary from January 05, 2023

Summarised Statement of Profit and Loss	Revenue from operations	(Loss)/Profit for the year	Other comprehensive income	Total comprehensive income/(loss)	(Loss)/profit allocated to NCI	Dividends paid to NCI
OCL China Limited						
31 March 2023	103.21	(0.08)	(0.03)	(0.11)	(0.01)	-
31 March 2022	94.38	0.29	3.41	3.70	0.37	-
Dalmia Seven Refractories Limited*						
31 March 2023	97.44	4.01	0.00	4.01	1.96	-
31 March 2022	100.23	2.85	0.00	2.85	1.40	-

*Ceased to be subsidiary from January 05, 2023

Summarised Statement of Cash Flows	Cash flow generated from/ used in) operating activities	Cash flow generated from/ (used in) investing activities	Cash flow generated from/ (used in) financing activities	Net (decrease)/ increase in cash & cash equivalents
OCL China Limited				
31 March 2023	(5.48)	(1.27)	1.96	(4.79)
31 March 2022	(31.68)	(0.04)	-	(31.71)
Dalmia Seven Refractories Limited*				
31 March 2023	-	-	-	-
31 March 2022	(3.70)	(2.00)	(4.13)	(9.83)

Dalmia Bharat Refractories Limited

Notes to the Consolidated Financial Statements
as at 31 March 2023

(Currency: Indian Rupees in crores)

43 Additional Information, as required under Schedule III to the Act, of enterprises consolidated as Subsidiary:

Name of the entities in the Group	Net Assets, i.e, total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Dalmia Bharat Refractories Limited								
31 March 2023	96.38%	2,199.30	98.49%	1,286.82	67.14%	23.41	97.67%	1,310.23
31 March 2022	93.70%	891.29	49.87%	11.38	-3921.78%	(8.30)	13.38%	3.08
Subsidiaries								
Indian								
Dalmia Mining & Services Private Limited*								
31 March 2023	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
31 March 2022	-	-	-	-	-	-	-	-
Dalmia OCL Limited#								
31 March 2023	0.00%	-	0.00%	-	0.00%	-	0.00%	-
31 March 2022	0.04%	0.42	-0.03%	(0.01)	0.00%	-	-0.03%	(0.01)
Dalmia Seven Refractories Limited#								
31 March 2023	-	-	-	-	-	-	-	-
31 March 2022	1.56%	14.81	12.49%	2.85	0.39%	0.00	12.38%	2.85
Foreign								
OCL Global Limited								
31 March 2023	5.63%	128.35	0.73%	9.55	20.05%	6.99	1.23%	16.54
31 March 2022	11.75%	111.82	13.47%	3.07	1090.97%	2.31	23.37%	5.38
OCL China Limited								
31 March 2023	2.55%	58.18	-0.01%	(0.08)	-0.07%	(0.03)	-0.01%	(0.11)
31 March 2022	6.14%	58.36	1.26%	0.29	1613.04%	3.41	16.07%	3.70
Dalmia GSB Refractories GmbH								
31 March 2023	1.28%	29.26	0.99%	12.90	5.63%	1.96	1.11%	14.86
31 March 2022	2.57%	24.48	25.76%	5.88	1312.66%	2.78	37.58%	8.66
Adjustments/ Eliminations								
31 March 2023	-5.84%	(133.26)	-0.20%	(2.59)	7.28%	2.54	0.00%	(0.05)
31 March 2022	-15.76%	(149.92)	-2.82%	(0.64)	4.72%	0.01	-2.75%	(0.63)
Total 31 March 2023	100.00%	2,281.83	100.00%	1306.59	100.00%	34.87	100.00%	1341.47
Total 31 March 2022	100.00%	951.25	100.00%	22.83	100.00%	0.21	100.00%	23.04

* Become wholly owned subsidiary from March 10, 2023

#Ceased to be subsidiary from January 05, 2023

(Currency: Indian Rupees in crores)

44 Business combination - Refractory undertaking and its subsidiaries

(i) The Board of Directors of Dalmia Cement (Bharat) Limited ('DCBL') and Dalmia Bharat Refractories Limited ('DBRL', the Company) in the respective meetings held during the financial year 2019-20, approved a Scheme of Arrangement amongst DCBL and DBRL and their respective shareholders and creditors in terms of Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ('Scheme 1') for transfer and vesting of refractory undertaking of DCBL to DBRL, by way of slump exchange on a going concern basis. The appointed date of the said Scheme is 1st April, 2019.

National Company Law Tribunal, Chennai Bench (NCLT) (the appropriate authority) has approved the above Scheme vide its order dated 3rd February 2022. Certified copy of aforesaid NCLT order has been filed with the Registrar of Companies on 1st March 2022, from which date the Scheme has been implemented and accordingly the Company has acquired the refractory undertaking of its holding company DCBL, with effect from 1 April 2019 ('appointed date'), through a Scheme of Arrangement ('Scheme 1'), by way of slump exchange.

In exchange of the Refractory Undertaking transferred by the DCBL, the Company has issued 6,848,926 fully paid-up equity shares of face value of Rs.10 each at a premium of Rs.180.60 per share amounting to Rs. 130.54 Crore and 22,500,000 Compulsory Convertible Debentures (CCDs) of face value of Rs.100 each amounting to Rs. 225.00 Crore. In aggregate, Rs. 355.54 Crore of equity shares and CCDs are issued to the DCBL. These CCDs were converted into equity shares and 1,18,04,827 number of equity shares to be allotted to DCBL.

The acquisition of refractory operations from DCBL is made for achieving better synergies, individually, from both cement and refractory operations. As part of the said objective, a separate Scheme of Amalgamation and Arrangements, as disclosed below, amongst Dalmia Refractories Limited ('DRL') and its subsidiary GSB Refractories India Private Limited (GSB India') with the Company ('Scheme 2') has also been executed.

Upon coming into effect of the Scheme 1 and as stated in Scheme 1, in exchange of the Refractory Undertaking transferred by the DCBL, the Company shall issue and allot following :-

Particulars	Amount
6,848,926 fully paid-up equity shares of face value of Rs.10 each at a premium of Rs.180.60 per share	130.54
22,500,000 Compulsory Convertible Debentures (CCDs) of face value of Rs.100 each	225.00
Total purchase consideration	355.54

Upon the Scheme 1 becoming effective and with effect from the Appointed Date, the Company has accounted for acquisition of the Refractory Undertaking in accordance with accounting treatment approved by the NCLT read with applicable accounting standards prescribed under section 133 of the Companies Act, 2013. Financial information of the Company as at 1st April, 2019 has been restated to give the effect of the acquisition of Refractory Undertaking in accordance with Ind AS 103. All the identifiable assets and liabilities of the Refractory Undertaking vested in the Company pursuant to the Scheme 1 has been recorded in the books of Company at their respective fair values as on the Appointed Date as determined by the Board of Directors of the Company. Followings are the summary of assets acquired and Liabilities assumed by the Group on acquisition of Refractory Undertaking including subsidiaries:-

	1 April 2019
Assets	
Non-current assets	
Property, plant and equipment	136.08
Investment property	0.20
Capital work-in- progress	5.96
Right of use assets	0.89
Other intangible assets	1.17
Deferred tax assets	3.95
Other financial assets	1.54
Other non-current assets	0.39
	150.17
Current assets	
Inventories	168.96
Trade receivables	139.37
Cash and cash equivalents	33.17
Loans	0.30
Other financial assets	0.74
Other current assets	15.40
Assets held for disposal	0.89
	358.84
Total assets [A]	509.01

Business combination - Refractory undertaking and its subsidiaries (Continued)

Liabilities		
Non-current liabilities		
Lease liability		0.65
Provisions		6.02
Deferred tax liabilities (net)		-
		6.66
Current liabilities		
Borrowings		8.48
Lease liability		0.24
Trade payables		75.69
Other financial liabilities		3.51
Other current liabilities		14.34
Provisions		6.16
		108.42
Total liabilities [B]		115.09
Net assets taken over [C]		
Purchase consideration [D]	A-B	393.92
Minority interest [E]		355.54
		4.63
Capital reserve on acquisition of refractory undertaking	C-D-E	33.74

Non-controlling interest in OCL China Limited represents ownership interests that entitle their holders to a proportionate share of the entity's net assets on the date of acquisition i.e. 1 April 2019

Business combination - Dalmia Refractories Limited, GSB Refractories India Private Limited and their subsidiaries

The Board of Directors of the Dalmia Bharat Refractories Limited ('DBRL', the Company) and GSB Refractories India Private Limited ('GSB India'), Dalmia Refractories Limited ('DRL') and Dalmia OCL Limited ('DOCL') during the financial year 2019-20, had approved the Scheme of Amalgamation and Arrangement amongst Dalmia Refractories Limited (DRL) and its subsidiary GSB India, DBRL and DOCL and their respective shareholders and creditors under Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 ('Scheme 2'). Scheme 2 was further modified by the Board of Directors of the respective Companies at their Board meetings held on 5th April, 2021. The modification involved removal of transfer of refractory undertaking from DBRL to DOCL. Hence, Scheme 2 now involves amalgamation of DRL and GSB India with DBRL. The appointed date of the said Scheme 2 is 1st April, 2020.

National Company Law Tribunal, Chennai Bench (NCLT) (the appropriate authority) has approved the above Scheme vide its order dated 3rd February 2022. Certified copy of aforesaid NCLT order has been filed with the Registrar of Companies on 1st March 2022, from which date the Scheme has been implemented and accordingly DRL and GSB India amalgamated with DBRL, with effect from 1 April 2020 ('appointed date'), through a Scheme of Amalgamation and Arrangement ('Scheme 2').

In consideration for amalgamation of DRL with the Company, the Company issued 25,475,205 equity shares of face value Rs. 10/- each at a premium of Rs. 180.60/- each, to all the shareholders of DRL, as on the Record Date in Fair Share Exchange Ratio.

The equity shares held by DRL of GSB India stand cancelled and no shares are issued to Dalmia GSB Refractories GmbH (other shareholder of GSB India).

The following table summarises the acquisition date fair value of each major class of consideration proposed to be transferred under Scheme 2:

Particulars	Amount
25,475,205 fully paid-up equity shares of face value of Rs.10 each at a premium of Rs.180.60 per share	485.56
Total purchase consideration	485.56

Pending issuance of above equity shares, face value of Rs. 25.47 Crore has been disclosed as share capital suspense account. The Company has credited balance amount to its Securities Premium Account, the aggregate premium on equity shares to be issued by it pursuant the Scheme 2.

Pursuant to Scheme 2, the equity shares held by DRL of GSB India will stand cancelled, and no shares will be issued to Dalmia GSB Refractories GmbH, other shareholder of GSB India, considering that it has now become subsidiary of the Company, and cannot hold shares of the Company in accordance with the provisions of the Act.

Upon the Scheme 2 becoming effective and with effect from the Appointed Date, the Company has accounted for amalgamation of DRL and GSB India in accordance with accounting treatment approved by the NCLT read with applicable accounting standards prescribed under section 133 of the Companies Act, 2013. Financial information of the Company as at 1st April, 2020 has been restated to give the effect of the amalgamation of DRL and GSB India in accordance with Ind AS 103. All the identifiable assets and liabilities of the DRL and GSB India amalgamated in the Company pursuant to the Scheme 2 has been recorded in the books of Company at their respective fair values as on the Appointed Date as determined by the Board of Directors of the Company. Followings are the summary of assets acquired and Liabilities assumed by the Company on amalgamation:-

	1 April 2020
Assets	
Non-current assets	
Property, plant and equipment	179.46
Capital work-in- progress	0.97
Right of use assets	3.05
Other intangible assets	190.28
Goodwill	10.47
Investments	34.30
Loans	0.92
Other non-current assets	0.03
	419.47
Current assets	
Inventories	84.21
Trade receivables	73.03
Investments	-
Cash and cash equivalents	9.23
Other bank balances	1.92
Loans	2.01
Other financial assets	0.06
Current tax assets	1.07
Other current assets	15.74
	187.25
Total assets [A]	606.72
Liabilities	
Non-current liabilities	
Borrowings	97.79
Lease liability	5.78
Other financial liabilities	1.39
Provisions	3.74
Deferred tax liabilities (net)	22.24
	130.94
Current liabilities	
Borrowings	48.10
Lease liability	1.77
Trade payables	71.33
Other financial liabilities	19.27
Current tax liabilities	3.84
Other current liabilities	9.28
Provisions	1.34
	154.92
Total liabilities [B]	285.86
Net assets taken over [C]	320.86
Purchase consideration [D]	485.56
Minority interest [E]	1.16
Goodwill on acquisition (refer note (b) below) [D+E-C]	165.85

Non-controlling interest in Dalmia Seven Refractories Limited represents ownership interests that entitle their holders to a proportionate share of the entity's net assets on the date of acquisition i.e. 1 April 2020

a) Aggregation of authorised Share Capital

Upon the Scheme becoming effective and with effect from the Appointed date, the authorised share capital of DBRL shall automatically stand increased, without any further act, instrument or deed, by the authorised share capital of DRL and GSB India as on the Effective Date. Accordingly, as on 1st April 2020, the authorised capital is Rs. 50.00 Crore divided into 5,00,00,000 (Five crore only) Equity shares of Rs. 10/- each.

b) Reduction of securities premium

Pursuant to Scheme 2, Goodwill on acquisition of DRL and GSB India of Rs 54.73 crores has been adjusted against the Securities premium.

(Currency: Indian Rupees in crores)

45 Financial Risk Management Objectives And Policies

Financial Risk Factors

The Group operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Group realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Group senior management oversees the management of these risks and devise appropriate risk management framework for the Group. The senior management provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

A. Credit Risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

To manage this, Group periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Group for extension of credit to customer Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 46. The Group evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Upto 6 months	More than 6 months	Upto 6 months	More than 6 months
Gross carrying amount (A)	144.98	4.95	328.58	26.10
Expected Credit Losses (B)	(0.34)	(1.32)	-	(17.17)
Net Carrying Amount (A-B)	144.64	3.62	328.58	8.94

(Rs. in crore)

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Group. The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as illustrated in note 46.

B. Liquidity Risk :

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities and short term loans. The table below summarises the maturity profile of the Group's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

Table hereunder provides the current ratios of the Group as at the year end:

Particulars	As at 31 March 2023		As at 31 March 2022	
Total current assets		1,005.00		844.23
Total current liabilities		745.04		464.45
Current ratio		1.35		1.82

(Rs. in crore)

The table below summarises the maturity profile of the Group's financial liabilities :

Particulars	As at 31 March 2023			As at 31 March 2022	
	Payable on demand	Less than 1 year	More than 1 year	Total	
As at 31 March 2022					
Borrowings	77.77	-	80.88		158.65
Other financial Liabilities	-	8.58	-		8.58
Lease Liabilities	-	1.49	3.01		4.50
Trade and other payables	-	275.12	7.62		282.74
Total	77.77	285.19	91.51		454.46

(Rs. in crore)

Particulars	(Rs. in crore)			
	Payable on demand	Less than 1 year	More than 1 year	Total
As at 31 March 2023				
Borrowings	17.75	12.79	58.85	89.38
Other financial Liabilities	-	11.63	-	11.63
Lease Liabilities	-	0.87	1.52	2.40
Trade and other payables	-	183.70	-	183.70
Total	17.75	209.00	60.37	287.11

C. Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Group is exposed to following key market risks:

(i) Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowings obligations in the form of cash credit and buyer's credit carrying floating interest rates.

Particulars	(Rs. in crore)		
	Fixed Rate Borrowing	Variable Rate Borrowing	Total Borrowing
As at March 31, 2023	89.38	-	89.38
As at March 31, 2022	158.65	-	158.65

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings	(Rs. in crore)		
	Impact on Statement of Profit & Loss		
	For the year ended 31 March 2023		For the year ended 31 March 2022
Interest rate increase by 1%	0.13		0.12
Interest rate decrease by 1%	(0.13)		(0.12)

(ii) Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency denominated borrowings and foreign payables on account import of raw materials and other consumables. This foreign currency risk is covered by using foreign exchange forward contracts.

The details of foreign currency exposure is as follows:

Particulars	Foreign Currency (FC)	(Rs. in crore)			
		FY 2022-23 (in crore)		FY 2021-22 (in crore)	
		In FC	In Rs.	In FC	In Rs.
Unhedged Foreign Currency					
Trade Payables - Purchase of Raw Material	USD	0.05	4.31	1.50	113.23
	EURO	0.01	1.12	0.07	6.33
	CNY	-	-	-	-
Trade Receivable - Export	USD	0.02	1.26	0.49	37.45
	EURO	-	-	0.23	19.05
Advances from customers	USD	-	-	0.01	0.40
	EURO	0.09	7.47	-	-
Hedged Foreign Currency					
Trade Payables - Purchase of Raw Material	USD	-	-	0.26	19.74

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

(Rs. in crore)

Particulars	Increase / Decrease in basis points	Impact on Profit & Loss Account	
		For the year ended	For the year ended
		31 March 2023	31 March 2022
USD Sensitivity	+1%	(0.00)	(0.01)
	-1%	0.00	0.01
Euro Sensitivity	+1%	(0.00)	0.00
	-1%	0.00	(0.00)
CNY Sensitivity	+1%	-	-
	-1%	-	-

* Holding all other variable constant

46 Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial Assets

(Rs. in crore)

S. No.	Particulars	Note	Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial assets designated at fair value through profit and loss						
	<u>Current</u>						
	- Investment in mutual funds	A	Level-1	425.07	425.07	0.19	0.19
2	Financial assets designated at fair value through other comprehensive income						
	<u>Non-Current</u>						
	- Investment In Equity shares	B	Level-1	1,839.38	1,839.38	104.47	104.47
3	Financial assets designated at amortised cost	D	Level-2				
	<u>Non-Current</u>						
a)	Loans			0.38	0.38	0.62	0.62
	<u>Current</u>						
a)	Trade receivables*			148.26	148.26	337.51	337.51
b)	Cash & Cash Equivalents*			128.15	128.15	50.11	50.11
c)	Other Bank Balances*			88.17	88.17	3.69	3.69
d)	Loans*			0.15	0.15	0.23	0.23
e)	Other financial assets*			124.28	124.28	3.63	3.63
				2,753.84	2,753.84	500.45	500.45

Financial Liabilities

(Rs. in crore)

S. No.	Particulars		Fair value hierarchy	As at March 31, 2023		As at March 31, 2022	
				Carrying Amount	Fair Value	Carrying Amount	Fair Value
1	Financial liability designated at amortised cost	D	Level-2				
	<u>Non-Current</u>						
	- Lease liabilities			1.52	1.52	3.01	3.01
	- Borrowings			58.85	58.85	80.88	80.88
	<u>Current</u>						
	- Borrowings			30.54	30.54	77.77	77.77
	- Trade payables*			183.71	183.71	282.74	282.74
	- Other financial liability*			11.63	11.63	8.58	8.58
	- Lease liabilities*		0.87	0.87	1.49	1.49	
			287.12	287.12	454.47	454.47	

*Represents financials assets and liabilities whose carrying amount is a reasonable approximation of there respective fair value.

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- A Group has opted to fair value its mutual fund investment through profit & loss.
- B Group has opted to fair value its quoted investments in equity share through OCI.
- C Group has opted to value its investments in subsidiaries at cost.
- D Group has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

47 Capital Management

For the purpose of the Group's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less cash and cash equivalents. The primary objective of the Group's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Particulars	As at 31 March 2023	As at 31 March 2022
Debt [^]	89.38	158.65
Cash & bank balances	216.31	53.80
Net Debt	(126.93)	104.85
Total Equity	2,276.01	938.79
Net debt to equity ratio (Gearing Ratio)	(0.06)	0.11

[^] Debt is defined as long-term and short-term borrowings

48 Disclosure on Bank/Financial institutions compliances

For the financials year 2022-23, quarterly returns or statements of current assets filed by the Parent Company with bank or financial institution are in agreement with books of accounts.

Summary of reconciliation of quarterly statements of current assets filled by the Parent Company with Banks as follow for the financial year 2021-22:

Particulars of Securities provided	For the quarter ended	Amount as per books of account	Amount as reported in the Stock statement	Amount of difference
Inventories	March'22	341.04	338.15	2.89
Trade Receivables	March'22	279.45	275.31	4.14

Note: Above differences are not considered material with reference to the size and nature of the business operation of the Parent Company.

49 Other statutory information

- (i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
(ii) Relationship with Struck off Companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 are as follows:

Name of Struck off Company	Nature of transactions	Transactions during the year March 31, 2023	Balance outstanding as at March 31, 2023	Relationship with the Struck off company
Zain Thermal Solutions Private Limited	Payables	0.10	-	Vendor
Star Wire (India) Limited	Receivables	0.26	-	Customer

- (iii) The Company has not entered into any scheme of arrangement approved by the competent authority in terms of section 232 to 237 of the Companies Act 2013 during the year ended March 31, 2023.
(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
(v) The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
(vi) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(vii) The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
(viii) The Group has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
(ix) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

50 Pursuant to the transfer of business undertaking vide business transfer agreement dated November 19, 2022, in respect of satisfaction of charges, the same is under process subject to receipt of required document from the charges holders.

51 The figures for the corresponding previous year are not strictly comparable to each other owing to transfer of refractory business during the year ended March 31, 2023.

As per our report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm Regn. No.: 101720W/W100355

For and on behalf of the Board of Directors

Deepak Thombre
Chairman
DIN: 02421599
Place : Pune

Sameer Nagpal
Managing Director
DIN: 06599230
Place : New Delhi

Vijay Napawaliya
Partner
Membership No.: 109859
Place : New Delhi
Date : April 21,2023

Rahul Sahni
Chief Financial Officer
Place : New Delhi

Meghna Saini
Company Secretary
Place : New Delhi



Corporate Office

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