

**Monocon Overseas Limited**  
Financial statements  
For the year ended 31 March 2010



**Company No. 3371095**

## Company information

<b>Company registration number:</b>	3371095
<b>Registered office:</b>	Davy Road Old Denaby DONCASTER DN12 4LQ
<b>Directors:</b>	S Cocking M P Bajoria
<b>Secretary:</b>	S Cocking
<b>Bankers:</b>	ICICI Bank 21 Knightsbridge LONDON SW1X 7LY  HSBC Unit 4 Europa Court SHEFFIELD S9 1XE
<b>Auditors:</b>	Grant Thornton UK LLP Statutory Auditor Chartered Accountants 2 Broadfield Court SHEFFIELD S8 0XF

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## Report of the directors

The directors present their report together with financial statements for the year ended 31 March 2010.

### **Principal activities**

The company acts as a holding company to overseas investments.

### **Directors**

The directors who served the company during the year were as follows:

R Agarwal	(resigned 22 March 2010)
P Bajoria	(resigned 22 March 2010)
A Chhawchharia	(resigned 31 October 2009)
S Cocking	(appointed 2 February 2010)
M P Bajoria	(appointed 2 February 2010)

### **Statement of director's responsibilities for the financial statements**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **Auditors**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006.

BY ORDER OF THE BOARD

S Cocking  
Secretary  
19 July 2010





# Report of the independent auditor to the members of Monocon Overseas Limited

We have audited the financial statements of Monocon Overseas Limited for the year ended 31 March 2010 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
Craig Burton

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
SHEFFIELD  
19 July 2010

## Principal accounting policies

### **Basis of preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

### **Consolidation**

The company is exempt from preparing consolidated financial statements under section 401 of the Companies Act 2006. These financial statements therefore represent information about the company as an individual undertaking and not about its group.

### **Investments**

Investments are included at cost, less amounts written off for impairment where appropriate.

### **Foreign currency translation**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account.

## Profit and loss account

	Note	2010 £	2009 £
<b>Operating charges</b>			
Operating loss		<u>(1,105)</u>	<u>(2,259)</u>
		(1,105)	(2,259)
Income from shares in group undertaking		-	1,257,379
Amount written off investments	2	-	(1,019,000)
Interest receivable		1,061	-
<b>Profit on ordinary activities before taxation</b>		<u>(44)</u>	<u>236,120</u>
Tax on loss on ordinary activities		-	-
<b>(Loss)/profit retained in the year</b>		<u>(44)</u>	<u>236,120</u>

The above results arise from continuing activities.

There were no other recognised gains or losses other than the loss for the financial year.

**The accompanying accounting policies and notes form an integral part of these financial statements.**

## Balance sheet

	Note	2010 £	2009 £
<b>Fixed assets</b>			
Investments	2	<u>5,130,400</u>	<u>5,130,400</u>
<b>Current assets</b>			
Debtors	3	1,948,656	1,949,702
Cash at bank and in hand		<u>4,456</u>	<u>3,454</u>
<b>Current assets</b>		<u>1,953,112</u>	<u>1,953,156</u>
<b>Creditors: amounts falling due within one year</b>		<u>-</u>	<u>-</u>
<b>Net current assets</b>		<u>1,953,112</u>	<u>1,953,156</u>
<b>Total assets less current liabilities</b>		<u>7,083,512</u>	<u>7,083,556</u>
<b>Capital and reserves</b>			
Called up share capital	4	1,000	1,000
Share premium account	5	6,148,400	6,148,400
Profit and loss account	5	<u>934,112</u>	<u>934,156</u>
<b>Equity shareholder's funds</b>	6	<u>7,083,512</u>	<u>7,083,556</u>

The financial statements were approved by the Directors and authorised for issue on 19 July 2010, and are signed on their behalf by:



S Cocking

Director

Company registration number: 3371095

**The accompanying accounting policies and notes form an integral part of these financial statements.**

## Notes to the financial statements

### 1 Tax on loss on ordinary activities

The tax charge for the year is lower than the standard rate of corporation tax in the UK of 28%. The differences are explained as follows:

	2010 £	2009 £
(Loss)/profit on ordinary activities before tax	<u>(44)</u>	<u>1,255,120</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009: 28%)	(12)	351,434
Effect of:		
Income not taxable for tax purposes		(352,066)
Surrender of losses to other group companies	<u>12</u>	<u>632</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

### 2 Fixed asset investments

Investments are included at cost as follows:

	Investments in subsidiary undertakings £
Cost at 1 April 2009 and 31 March 2010	<u>6,149,400</u>
Amounts written off at 1 April 2009 and at 31 March 2010	<u>(1,019,000)</u>
Net book amount at 31 March 2010	<u>5,130,400</u>
Net book amount at 31 March 2009	<u>5,130,400</u>

The principal companies in which the company's interest is more than 20% are as follows:

	Nature of business	Country of incorporation	Class of share capital held	Proportion held
Mono Ceramics Inc	Refractory works	USA	Share stock	100%
Goricon LLC *	Refractory works	USA	Share stock	100%
Hofmann Ceramics LLC*	Refractory works	USA	Share stock	100%

\* Held through Mono Ceramics Inc

### 3 Debtors

	2010 £	2009 £
Amounts owed by group companies.	<u>1,948,656</u>	<u>1,949,702</u>

## Notes to the financial statements

### 4 Share capital

	2010	2009
	£	£
Authorised, allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 5 Reserves

	Share premium account £	Profit and loss account £
At 1 April 2009	6,148,400	934,156
Loss for the year	-	(44)
At 31 March 2010	<u>6,148,400</u>	<u>934,112</u>

### 6 Reconciliation of movements in shareholder's funds

	2010	2009
	£	£
(Loss)/profit for the financial year and net (decrease)/increase in shareholder's funds	(44)	236,120
Shareholder's funds at 1 April 2009	<u>7,083,556</u>	<u>6,847,436</u>
Shareholder's funds at 31 March 2010	<u>7,083,512</u>	<u>7,083,556</u>

### 7 Transactions with related parties

The company has taken advantage of the exemption under the terms of FRS8 not to disclose related party transactions with entities that are part of the IFGL Refractories Limited group.

### 8 Controlling related parties

The ultimate parent undertaking of this company is IFGL Refractories Limited, a company registered in India.

Monocon International Refractories Limited, a company registered in England and Wales is the company's immediate parent company. The largest undertaking for which group accounts have been drawn up is that headed by IFGL Refractories Limited. Copies of IFGL Refractories Limited's group financial statements can be obtained from its head and corporate office at 3, Netaji Road Subhas Road, Kolkata - 700 001, India.

### 9 Contingent liabilities

There is a cross guarantee between Monocon International Refractories Limited, Monocon Overseas Limited, IFGL Monocon Holdings Limited and Goricon Metallurgical Services Limited on all bank borrowings with HSBC plc.