

July 7, 2021

Bombay Stock Exchange Limited
New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort
Mumbai-400001
Security Code: 535754

National Stock Exchange of India Limited
“Exchange Plaza”, Plot No. C-1, Block G
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400 051
Symbol: ORIENTCEM

Dear Sir,

Sub: Notice of 10th Annual General Meeting, Annual Report 2020-21 and payment of Final Dividend for the financial year 2020-21



In continuation to our letter dated May 17, 2021, this is to inform you that:

1. The 10th Annual General Meeting (AGM) of the Members of Orient Cement Limited will be held on Thursday, 5th day of August, 2021 at 2:00 P.M. IST through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) in compliance with the provisions of the Companies Act, 2013 and circular dated January 13, 2021 read with earlier circulars dated May 5, 2020, April 8, 2020 and April 13, 2020 issued by the Ministry of Corporate Affairs (hereinafter referred to as “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) circular dated January 15, 2021 read with circular dated May 12, 2020 (hereinafter referred to as “SEBI Circulars”).
2. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 10th AGM along with the Annual Report for the financial year 2020-21 including financial statements (along with Board's Report, Auditor's Report or other documents required to be attached therewith) has been sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories/ Registrar and Share Transfer Agent of the Company.
3. In compliance with Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), copy of Notice of the AGM and the Annual Report for the financial year 2020-21 as sent to the Members is attached herewith. It is hereby confirmed that the Notice convening the 10th AGM and the Annual Report for the financial year 2020-21 has been electronically sent to the Members of the Company on July 7, 2021.

4. The Company has fixed **Thursday, 29th July, 2021**, as the **Cut-off Date** for the purpose of determining the Members who would be entitled to attend the AGM through VC/OAVM and vote on resolutions set out in the Notice of 10th AGM either through remote e-voting or Insta Poll during the AGM. The Company has engaged M/s KFin Technologies Private Limited for providing facility for remote e-voting, participation in the AGM through VC/OAVM and e-voting during the AGM through Insta Poll. **The remote e-voting period commences on 2nd August, 2021 (9:00 A.M. IST) and ends on 4th August, 2021 (5:00 P.M. IST).**
5. As already informed in our letter dated May 17, 2021, pursuant to Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 30th July, 2021 to Thursday, 5th August, 2021, both days inclusive, for AGM and for determining the entitlement of the Members to the final dividend for 2020-21.
6. The final dividend on Equity Shares, if declared at the AGM, will be credited on or before 3rd September, 2021 to the bank account of the Members whose bank mandate are updated in the records of the Depository Participants/Company as on the book closure date. For Members whose bank mandates are not updated with the Depository Participants /Company as on the book closure date, demand drafts or warrants or cheques shall be dispatched upon normalization in terms of SEBI Circular.

Kindly take the same on record.

Yours faithfully,
For **Orient Cement Limited**

Nidhi Bisaria
(Company Secretary)

Encl. As stated

LIMITLESS



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www.orientcement.com

Recapping FY 2021

42%

Y-o-Y EBIDTA growth in FY 2021

147%

Y-o-Y PAT growth in FY 2021

46%

Y-o-Y net-debt reduction as on March 31, 2021

73%

RoCE growth in FY 2021

₹ 10.45

EPS in FY 2021 against ₹ 4.23 in FY 2020

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Corporate Information

Board of Directors

Mr. Chandrakant Birla,
Chairman

Mrs. Amita Birla

Mr. Rajeev Jhawar

Mr. Rabindranath Jhunjunwala

Mr. Janat Shah

Mr. Swapan Dasgupta

Mr. I.Y.R. Krishna Rao

Mrs. Varsha Vasant Purandare

Mr. Desh Deepak Khetrapal,
Managing Director & CEO

Key Managerial Persons

Mr. Desh Deepak Khetrapal,
Managing Director & CEO

Mr. Soumitra Bhattacharyya,
Chief Financial Officer

Mrs. Nidhi Bisaria,
Company Secretary

Statutory Auditors

M/s. S.R. Battiboi & Co., LLP,
Chartered Accountants,
22, Camac Street, Block C, 3rd Floor
Kolkata-700016

Registered Office

Unit-VIII, Plot No.7, Bhoinagar,
Bhubaneswar-751012 (Odisha)

Corporate Identification No.

L269400R2011PLC013933

Manufacturing Plants

Devapur:

P.O. Devapur Cement Works
Dist. Adilabad - 504218 (Telangana)

Jalgaon:

Nashirabad, Dist. Jalgaon
(Maharashtra)

Chittapur:

Village Itaga, Malkhaid Road,
Taluka Chittapur,
Dist Kalburagi - 585292
(Karnataka)

Registrar & Share Transfer Agent

KFin Technologies Private Limited

Unit: Orient Cement Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana

Toll Free No. 1800-309-4001

E-mail: einward.ris@kfintech.com

Bankers

State Bank of India
HDFC Bank Limited
Indian Bank
ICICI Bank Limited
EXIM Bank of India
Punjab National Bank

10th Annual General Meeting

(Through Video Conferencing/Other Audio Visual Means)

Date : 5th day of August, 2021

Day : Thursday

Time : 2:00 P.M.

Book Closure for AGM

Friday, 30th day of July, 2021 to
Thursday, 5th day of August, 2021
(Both days inclusive)

Website

www.orientcement.com

Boundaries
constrain those
who are afraid to
cross over.

For the
adventurous, it
is an invitation to
explore what lies
beyond.



For us at Orient Cement Limited, every challenge is an invitation to take another bolder step – for we believe in challenging our limits and extending possibilities! We practice ‘The Art of Possible’.

Orient Cement has been through its trials and tribulations. But, never have we failed to overcome, succeed and emerge stronger. For we believed in our strengths to redefine our capabilities. We dared to achieve more and never hesitated to learn from our difficulties. Resting on our can-do attitude, we have traversed a long journey, dotted by many highs and a few lows. But, what keeps us enthused to stride further and target higher objectives is our **limitless** curiosity and a relentless attitude to reinvent and redefine our approach to build a stronger, sustainable and customer-centric organisation.

Today, we are stronger and more resilient than before, having learnt from innumerable hardships posed by the global pandemic. At the dawn of a new reality, we are poised to respond to **limitless** opportunities with agility, bold decisiveness and prudence – leading the way for Orient Cement to accomplish **limitless** prospects for sustained growth.

About the Group

The CK Birla Group is a diversified US \$2.4 billion conglomerate with a global presence and a history of enduring relationships with renowned global companies.

With over 30,000 employees, 44 manufacturing facilities and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education.

The group companies are strengthened by shared guiding principles that include focus on long-term value creation, trust-based relationships and spreading joy within the communities in which we operate. Each business is transforming to build on the collective strengths of the Group and a shared vision to create value in line with the rapidly changing needs of customers, partners and communities in the twenty-first century.



About Orient Cement

Drawing on 40+ years of legacy, Orient Cement Limited is one of the leading cement companies in India today.

Starting its journey in 1979 at Devapur, Telangana, the Company was demerged from Orient Paper and Industries Limited in 2012. Currently as a fast growing, value-accretive cement company in India, we have developed a range of cement products.

Currently operating in key markets of Maharashtra, Telangana and Karnataka, we are also setting strong inroads in newer markets of Andhra Pradesh, Madhya Pradesh, Chhattisgarh, Kerala, Uttar Pradesh, Gujarat, Tamil Nadu and Goa. The strength of our business model is supported with two integrated cement manufacturing plants and one split clinker grinding unit.



8 MTPA

Cement manufacturing capacity

5.5 MTPA

Clinker manufacturing capacity

11 States

Market presence

Our vision

Build **Sustainably** to be a Valued Partner in Progress



Our values



Collaboration
The Orient Cement way, the *dahi haandi* way



Humility to learn



Walk the talk



Respect for all



Celebrate diversity



Passion to excel

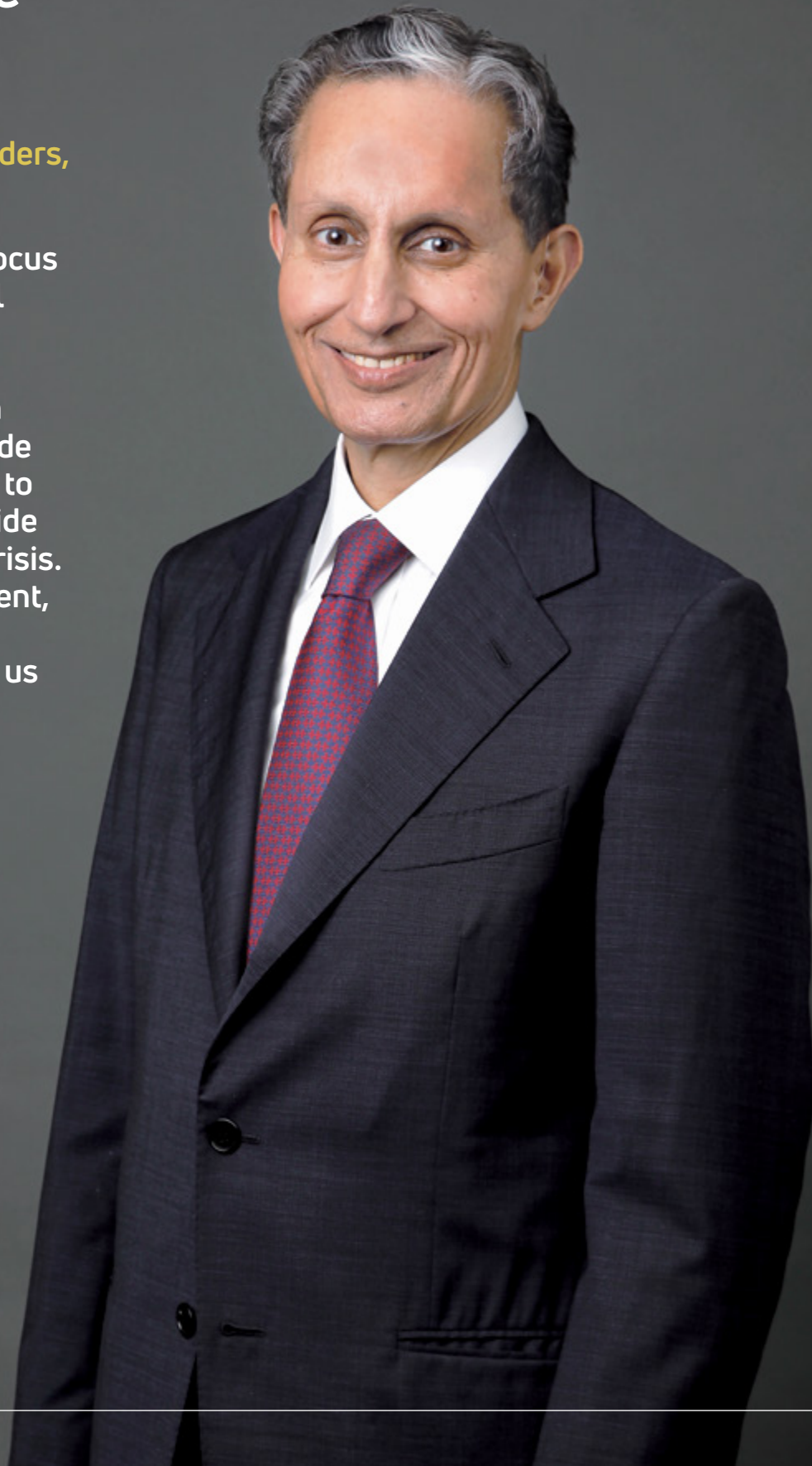


Agility with speed

Chairman's Message

Dear shareholders,

Our resolve to consistently focus on operational excellence enables us to demonstrate a resilient attitude that allows us to successfully tide through any crisis. At Orient Cement, our distinctive approach sets us apart.



FY 2020-21 has been unlike any other witnessed in recent memory. While the pandemic disrupted lives as well as businesses across the world, as a company with strong fundamentals, we emerged successful with an overarching focus on business continuity. The journey through the last year was not smooth. We started off with zero capacity utilization in the early days of first quarter and managed to exceed our rated capacity in the last few weeks of the year. Your Company demonstrated a strong rebound in revenues and overall profitability, driven by a strong focus on prudent cost and cash management and innovative structural reforms.

To overcome challenges, we focused on optimising costs and maximising cash generation. Your Company achieved this with several measures directed across processes that delivered the results we aspired for. As macroeconomic factors remained beyond the control of the organisation, we strategically planned to leverage our operational strengths.

With noticeable demand upswing in the latter part of the year, fuelled by the short-lived respite from the first wave of Covid-19 as well as resumption of infrastructure projects, demand for cement rebounded.

Your Company serviced the buoyant demand leveraging its strong connect with the customers and channel partners. The team channelised its resources across supply chain network strategically to ensure quickest product delivery.

The demand from rural regions improved substantially and we achieved volume growth for our products towards the end of FY 20-21. Besides, your Company maintained its focus on marketing superior quality cement to create distinct value in the space. Your Company's premium product 'Birla.A1 StrongCrete' has continued to show progressive growth over the years, validating our conviction to create a product with a difference and improve our margin growth.

Your Company also strongly believes in prioritising the health and safety of its people. Not only did the Company look after the overall well-being of its employees during the pandemic, it also took all the necessary measures possible to ensure safety at workplace. As a responsible organisation, your Company also remains deeply committed to fulfil its environmental obligations. Your Company has made significant strides towards its commitment on ESG goals and strengthened its focus on being a sustainable entity.

I am pleased to report that every team member, from our top leadership to our operating workforce identifies with our vision, mission and values and contribute towards their realisation. The Company continues to provide platforms for the holistic development of employees, through innovative collaborations and engagement initiatives that keep people motivated and focused.

The Company is adapting to a 'New Normal', becoming smarter and sharper, to further its competencies as an agile enterprise. We are also optimistic about expanding our capacity to 11.5 million tonnes by FY 24 and further to 14.5 million tonnes soon thereafter. To achieve this objective, we have intensified our focus on deleveraging the business and built a robust balance sheet. We now look forward, with great enthusiasm, to unlock greater value for all our stakeholders and capitalise on opportunities to build Orient Cement of tomorrow.

CK. Birla
Chairman



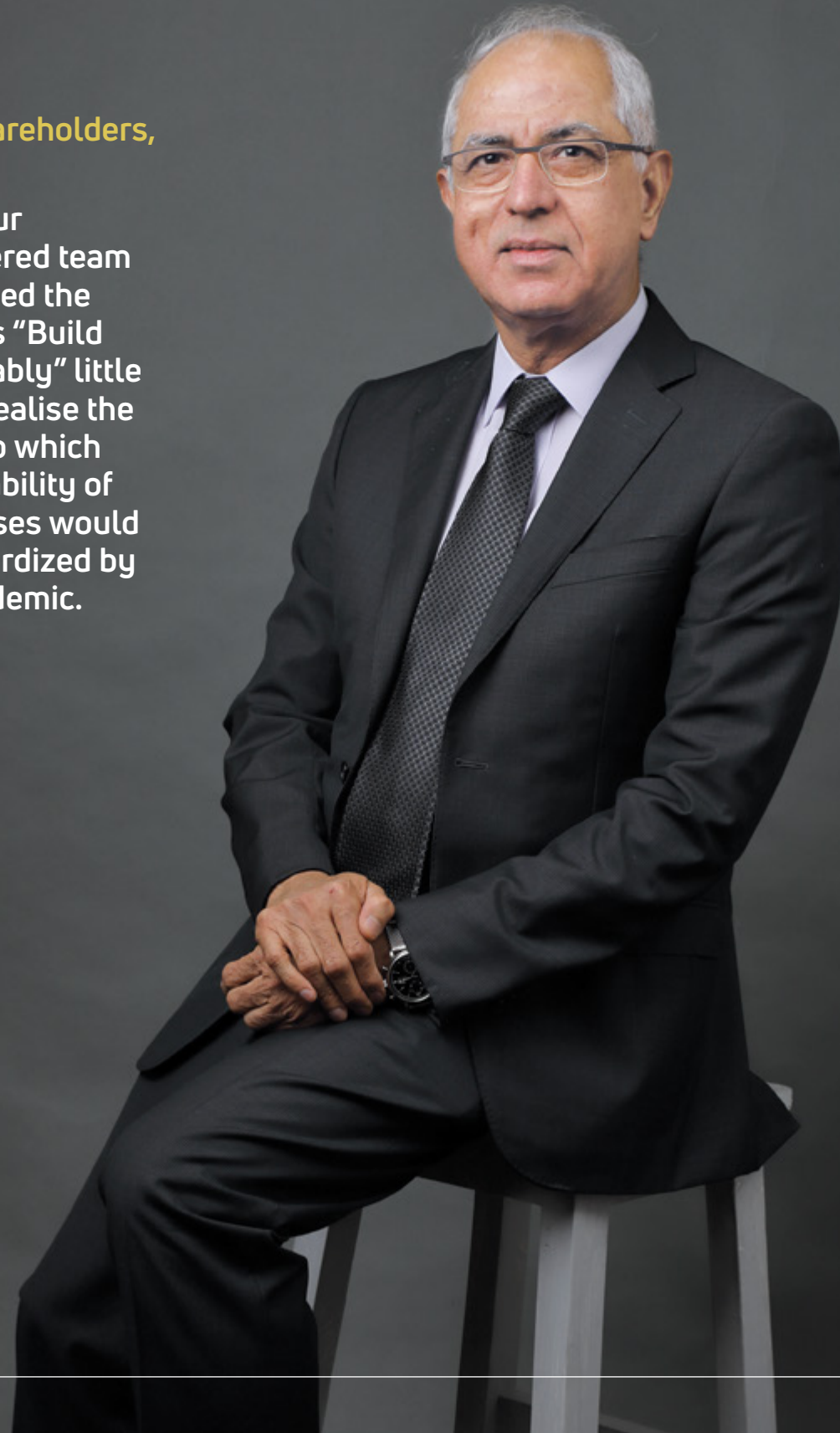
We are also optimistic about expanding our capacity to

11.5 million
tonnes by FY 24.

Managing Director's Message

Dear shareholders,

When our empowered team articulated the vision as "Build Sustainably" little did we realise the extent to which sustainability of businesses would be jeopardized by the pandemic.



The years 2020 and 2021 will be remembered as anything but normal years in the recent history of mankind. The worldwide loss of lives and livelihood caused by the raging Covid-19 pandemic has been beyond imagination. Businesses across the world have faced overwhelming challenges and uncharted waters as they continue to navigate the impact and uncertainties created by the catastrophe. The first few months of FY 2020-21 were challenging for the course of our business, but the year brought out the best in us, enabling us to adjust to the new normal fairly quickly. We marched forth in the midst of adversities and the prevailing uncertainty led anxieties with an unwavering attitude of *limitless*. This approach was exhibited across operations and processes, powering the Company to come out stronger and better.

At Orient Cement, we continue to emphasize our role as part of the cement industry in the development and modernization of the society through enabling construction of infrastructure and housing. We stay mindful of our position and obligation as cement manufacturers to the nation. As a company that strives to be the benefactor to the economy, we have always focused on creating value for stakeholders at all levels. With this distinctive spirit, our annual reports during last few years have showcased the inclusive approach of your Company, touching specifically on the positive impact we create for all stakeholders.

Today, **Birla.A1 StrongCrete** has its noticeable presence in most of our markets, has grown to nearly **10%** of our B2C sales since launch and we remain optimistic to drive its growth further.

Limitless

The Covid-19 pandemic has hit the businesses and humanity at large. For many of us, it is the first time we have witnessed a disaster of this kind in our memory. So how does one counter it? It surely needed a mammoth effort to create balance between business continuity and protecting lives of our employees and other stakeholders.

The *limitless* attitude is the perfect extension of our existing values framework. We stood our ground, adhering to our values framework to be our guiding light during these tough times. I am proud to

say that our team-members have been the true torch bearers and led from the front. They not only embraced the values and culture of Orient Cement but came together collectively as one unit to deliver results that have exceeded everyone's expectations in the true *Dahi Haandi* way!

While every member navigated through the unpredictable times in getting back in quick time, the leadership team and Board came together to take some important strategic calls. A response with speed and agility with *limitless* vision was the need of the hour. And so, we did. One, we booked/ renegotiated certain contracts in the early days of the lockdown with beneficial terms

Our Board of Directors

|| The year will remain memorable for reasons plenty, but one thing that stood out was the commitment and passion of our people.

in the first quarter itself. This de-risked us to a large extent against the cost push that we witnessed in the latter half of FY 2021. Second, we also stepped up our efforts towards fuel and raw material flexibility using process adaptability to appropriate cost arbitrage as inflation drove up prices of all major raw materials. Third, we restructured our distribution network and realigned our channel partner strategy to widen our reach in new markets as well as strengthen our presence in existing markets. These steps enabled us to improve our performance and sustain profitability amidst a challenging year.

We also pushed the boundaries of delivering on our commitments. When we introduced 'Birla.A1 StrongCrete' just over 3 years back as our premium solution for superior construction, and not just a premium brand, naysayers wrote it off, citing who would pay the high price for a commodity like cement? We stood our ground. We knew the qualitative aspects of 'Birla.A1 StrongCrete' and were confident of its market acceptance. Today, Birla.A1 StrongCrete has its noticeable presence in most of our markets, growing to nearly 10% of our B2C sales since launch; and we remain optimistic to drive its growth further.

Our *limitless* approach of agility and scalability paid off well when we effectively countered inflation and cost pressures. Sustained by our industry-leading efficiencies in heat consumption and power consumption, our energy costs have actually reduced during the year with optimum fuel-mix, advanced booking of fuels and disciplined bidding strategy.

People at heart of our strategy

The year will remain memorable for reasons plenty, but one thing that stood out was the commitment and passion of our people. As I had mentioned in the previous Annual Report, our hyper-vigilance for people safety and well-being overrode all strategies, but there were some that stand out. The uncertainty created by Covid-19, with no clear visibility as to how things would shape up was a challenge that faced us, and all businesses alike. However, we could not have been prouder of our team for the way each and every one of them rose to the challenge. We experienced their responsible mindset and resilience, as they accepted our tough calls on control over operating for operating expenses. We confidently applied for the 'Great Place to Work' certification. Not surprisingly to us, this year even more team-members participated in the survey, and we received the accreditation for second year running, with much better scores than last year.

Outlook

Despite the multiple headwinds derailing the course of economy, we managed to sail with excellence during this fiscal. While the outlook continues to be uncertain, we are cautiously optimistic of our response to emerging developments. In our near-term outlook, while the first quarter is seeing the impact of the second wave of the pandemic, we foresee the scenario to be significantly better for the economy and for the cement industry in the second half of FY 2022 as more and more of fellow

citizens gets vaccinated. We will continue our collaborative and concerted efforts to enhance our cost leadership, reinforce our customer-orientation, improve capacity utilization and scale-up our overall competitiveness.

We are grateful to all of our stakeholders for their unified trust and belief in Orient Cement. As we aspire and approach the coming year with renewed vigour and confidence, we look forward to having you by our side.

Stay Safe. Stay Healthy.

Deepak Khetrpal
Managing Director and CEO

Mr. Chandrakant Birla (Chairman)

Date of appointment: 23 rd July, 2011
DIN: 00118473
Qualification: Bachelor of Arts
Occupation: Industrialist
Expertise in specific functional areas: Industrialist having rich business experience in managing diversified industrial enterprises.

Mr. Janat Shah (Independent Director)

Date of appointment: 30 th April, 2014
DIN: 01625535
Qualification: Fellow of IIMA (equivalent to PhD) in Operations Management, B. Tech (Mechanical) from IIT Mumbai
Occupation: Service
Expertise in specific functional areas: Operations, strategy and supply chain management.

Mr. Swapan Dasgupta (Independent Director)

Date of appointment: 4 th August, 2015
DIN: 07113693
Qualification: PhD from the School of Oriental & African Studies (London) and a former Fellow of Nuffield College, Oxford
Occupation: Writer, broadcaster, public policy analyst and Member of Parliament
Expertise in specific functional areas: Writing and public policy analysing.

Mr. Desh Deepak Khetrpal (Managing Director & CEO)

Date of appointment: 2 nd April, 2012
DIN: 02362633
Qualification: Honours degree in Business & Economics and Master's degree in Business Administration in Marketing and Finance from the Delhi University
Occupation: Service
Expertise in specific functional areas: Professional business leader with a track record of leading and transforming large and diversified organizations, across various Industries including services, industrials, consumer and retail businesses.

Mr. Rabindranath Jhunjunwala (Independent Director)

Date of appointment: 9 th August, 2014
DIN: 00050729
Qualification: B.A., LL. B (Hons) from National Law School of India University, Bangalore
Occupation: Partner in Khaitan & Co.
Expertise in specific functional areas: Corporate Laws-domestic and cross border mergers & acquisitions, private equity investment, foreign investments advisor (both inbound and outbound).

Mr. I.Y.R Krishna Rao (Independent Director)

Date of appointment: 5 th May, 2017
DIN: 00481367
Qualification: M.A. (Economics)
Occupation: Retired IAS-Chief Secretary, Andhra Pradesh
Expertise in specific functional areas: Administration, economics & finance.

Mrs. Amita Birla (Non- Executive Director)

Date of appointment: 27 th March, 2015
DIN: 00837718
Qualification: GCE-A Level
Occupation: Industrialist
Expertise in specific functional areas: Management and operation of diverse nature of business.

Mr. Rajeev Jhavar (Independent Director)

Date of appointment: 9 th August, 2014
DIN: 00086164
Qualification: Commerce Graduate and Management Development Course from London Business School
Occupation: Industrialist
Expertise in specific functional areas: Industrialist having rich business experience in managing diversified industrial enterprises

Mrs. Varsha Vasant Purandare (Independent Director)

Date of appointment: 8 th February, 2019
DIN: 05288076
Qualification: Bachelor of Science (Chemistry), Diploma in Business Management
Occupation: Retired Banker
Expertise in specific functional areas: Credit, forex, treasury, capital markets, investment banking and private equity businesses.

Our Business Model



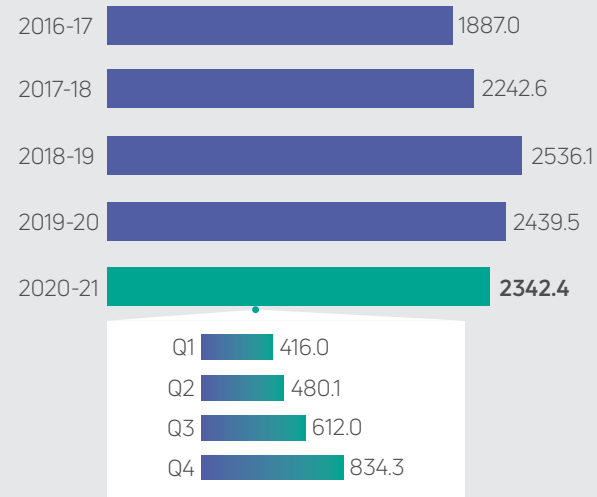
Ensuring sustainability across value-chain of our business

is fundamental to our value-creation philosophy.

Resilient Outperformance

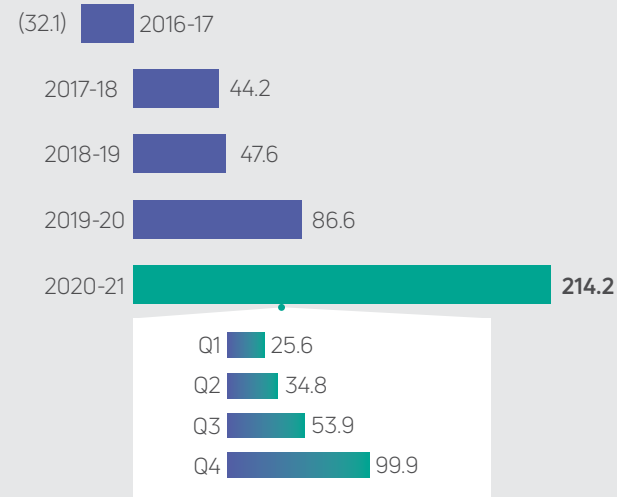
Total Income

(₹ crore)



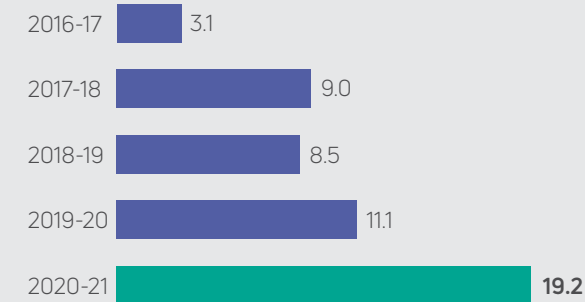
Net Profit

(₹ crore)

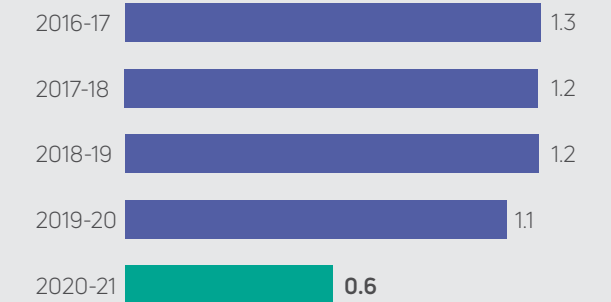


RoCE

(%)

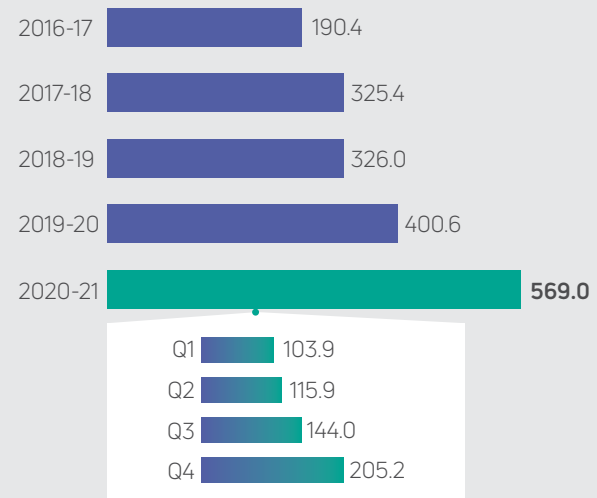


Debt Equity Ratio



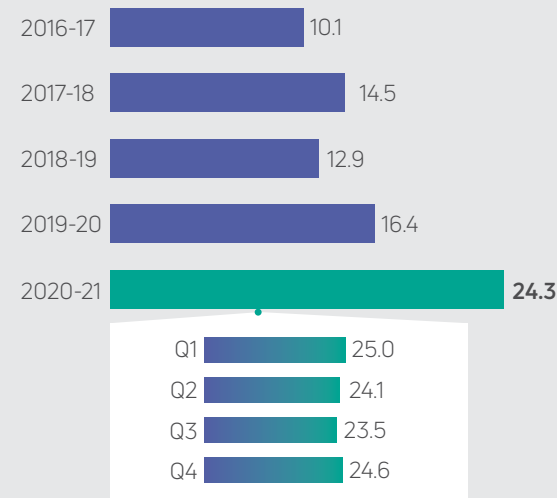
EBDITA

(₹ crore)



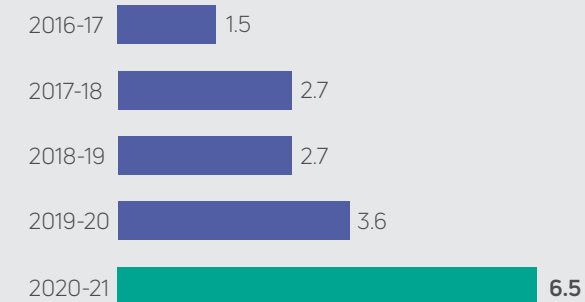
EBIDTA margin

(%)



Interest coverage

(%)



Debt cost

(%)



₹216.28 crore

Working capital improvement

₹620.04 crore

(excluding deferred sales tax loan)

Net long-term debt as on March 31, 2021

₹2003.62 crore

Market capitalisation as on March 31, 2021

Limitless

Limitless is often perceived as ridiculous.

Not at Orient Cement.

At Orient Cement, we have a proud track record of manufacturing quality cement for over four decades now. During these years, we have achieved success, dealt with many challenges, but have always learnt in the process. Our relentless focus has remained on building a sustainable company in a true sense, and creating value for stakeholders at large.

The years 2020 and 2021 will go down in history as tragic year for humanity. The loss of lives and livelihood has been unfathomable across the globe. As a Company that has been an active contributor to economy, we have always established a permanent dialogue at all levels with all our stakeholders.

The different year brought the best out of us, preparing us to adapt to a new reality to deal with. We were quick, responsive and agile. We identified areas that needed strategic intervention, adopting a *limitless* approach, demonstrating resilience to ensure sustained growth and development.



Limitless in true sense

“In my many years of service, I have never witnessed our plant shut its operations. Sitting at home during lockdown and waiting for things to open up was agonising. Zero cement production was unprecedented and hard to believe.”

— Mr. Shiva Kant Pandey, Head Manufacturing

Limitless = Resilience



“Covid-19 lockdown restrictions meant we could not step-out of our homes,” recalls **Mr. Satyabrata Sharma**, Plant Head - Chittapur.

“We knew that unplanned shutdown of plant operations imposed by the pandemic would have a cascading impact on the availability of resources (both technicians and raw material) and the downstream supply chain including sales. Resumption of operations after a long break would have to be done with fewer manpower and additional costs due to lower productivity of the plant,” he added.

From the worst quarter to the best quarter

As relaxations came into effect, and lockdowns were lifted in gradual phases, economic activities resumed. Despite a complete washout for April 2020, the demand for cement slowly came up from different quarters. We capitalised on opportunities across sales channels, with healthy demand from the rural areas too. While our prime markets of Maharashtra were hurt due to rising cases of Covid-19, we garnered demand from other markets.



“The moment we resumed work at plant, we were determined to make up for the lost production. *Alag hi josh tha sab mein* (there was a sense of determination among all of us),” adds **Mr. Pandey**.

In the last six weeks of Q4 FY21, we were not able to cope with the market demand. The recovery of economy and fundamental drivers for cement were boosted. Our frontline sales force and backend team really worked hard all through to ensure we delivered the best quarter in the history of the Company. This exceptional commitment displayed by all our employees helped us meet the increased demand from the market.



Impossible?
Huh, we have not heard of it at Orient Cement.

“Premium brand nahi, premium quality wala cement dijiye,”

reasserts Patil Saheb to the dealer while buying cement for constructing his home in Nanded, Maharashtra.

Birla.A1 StrongCrete cement is not just a premium brand in our product portfolio, it is a premium product.

**Our sales team knows it.
Our dealers know it.
Our customers know it too.**

We have an uncompromising attitude when it comes to quality of our products. We remain among the pioneers in the industry to actually introduce products that are premium in quality and not just a brand or label on cement bag.

Premium is not just a brand



“We know that Orient Cement’s premium cement is manufactured under control process conditions, deploying sophisticated machinery and stringent quality checks. Its higher strength, faster setting time and increased durability features are trusted and believed by its customers,”

adds Mr. Balaji Kalyankar our dealer at Nanded. He vividly recalls the specifics provided by Team Orient at product-training session.

At Orient Cement, we worked to build a cement variant that will not just gain market share on lower price but serve a growing customer base that wants something unique, performance-driven and is ready to pay well. After all, it is not that one builds home every two years. So how can their cement be ordinary?

Further, we provide on-site guidance and supervision to our customers to maximise their benefit from our premium product.

Our brief to our marketing team is very clear: we sell the premium cement on its qualities and our service, not on price. Our customers came back saying ‘Give us Birla.A1 StrongCrete: The Forever Cement’ after all a house is forever!

**Mazbooti
mein A1.
Bharose
mein A1.**



Limitless = Uncompromising

“Out-of-box thinking was the need of the hour. You think there was a choice? No chance!”

— recalls **Mr. Shiva Kumar**, Plant Logistics Head



Limitless = Agile

Logistics cost remain a major component of cement business. Right from sourcing raw materials to dispatching final product. In a competitive industry like cement, if you cannot manage your logistics costs, you are heading for troubled times.

Lockdown significantly dislocated our road transportation with a number of major markets being designated as red zones. We had to quickly determine alternate routes, develop a hub and spoke model using rail as a feeder and last mile connectivity through our contracted trucks. We found ways to introduce flexible loading at our plants and took advantage of our warehouse network to service our customers faster, thereby saving costs and improving customer reach.

Effective cost management

First, we took a long-term view on fuels in Q1 FY 21, when it was extremely difficult due to volatile conditions with the onset of the pandemic. **“Our Risk Management Committee and Board of Directors are people with experience. They knew what was coming,”** adds **Mr. Prakash Chand Jain**, Finance Controller.

Second, we switched to alternate fuels (including rice husk, carbon black, municipal waste, pharma waste, etc.) as conventional sources of energy witnessed significant rise in costs.

Third, we monitored the rising logistic costs via road due to increase in diesel prices. We identified railways freight as a feasible, competitive and effective mode of transport, channelising more dispatches during the year through that mode.



“It was a breakthrough move, moderating our cost of transportation. I would say, agility at its best!”

— **Mr. Vivek Mathur**,
Plant Finance Head,
smilingly points out.



**Our reactions were sharp:
Building a better tomorrow.**

“Really? Birla.A1 cement is now available here! In Vadodra? I am happy to now have a brand of my choice.”

— exclaims Mr. Shah, (our loyal customer) in astonishment to our dealer.

Limitless = Availability

What do you choose to do when going gets tough? You start to focus completely inward. While we did that, we also did what most thought was not logical. Reaching out to newer markets, opening more godowns and making our product available to a larger audience.

We thought outward.



“That was logical, isn’t it? Or else we would have sat on inventory, unfavourable current asset ratio and mounting interest costs. In the end, suffer losses and loose credibility among our stakeholders,” Mr. Srinand Rapole, Regional Sales Head remembers.

Adaptability was the key. We quickly changed the stockist appointment process, from days involving physical paperwork, we moved to digitising the said process. “We appointed more than 200 stockists with ease, speed and convenience in 3 months of the launch of the process,” he adds.

Restructuring our customer mix

We adapted to the market impact of Covid-19 and positioned ourselves for the future.

Our people continued to work closely with our customers, deeply committed to supporting them in their requirements. Maharashtra and its districts remained the epicentre of Covid-19 in the country and resultant lockdown impacted our operations. We increased the share of our B2C business, which witnessed revival as economy rebounded in second half of FY 21.

We penetrated newer markets of Vadodra in Gujarat; Indore in Madhya Pradesh and Kottayam, Kollam and Kannur in Kerala, with a strengthened distribution network. Better monsoons helped drive the agriculture output, resulting in healthy demand from rural areas as well.



“The realigned customer mix also helped gain traction in the product mix, resulting in higher yields and better profitability. In summary, we witnessed a lower and subdued volume growth in first half of the fiscal, while witnessing an accelerated growth in volumes in latter part of the fiscal with enhanced profit margins.”

– Mr. Manish Dua, Head-Sales and Marketing.



Doing the right thing. Delighting our customers.

“We were pleasantly surprised to see the total debt come down by end of Q4 FY 21. The Management stood by its commentary made at the beginning of the year, despite all odds. Unbelievable - but true.”

— Mr. Naveen Bothra, Shareholder

Limitless = Unbelievable

Balance Sheet at its best

Committed fixed costs, volatile variable costs of raw materials and reduced sales with the onset of pandemic required judgement related to making our Company leaner, sharper and more agile. We holistically reviewed every aspect of operations, taking decisive and necessary actions to ensure enough liquidity and adequate access to capital.



“We identified opportunities to save costs, wherever possible, across our value chain. We aggressively stepped up our collections from our debtors, reducing the debtors cycle and improving our working capital ratio.”
— Mr. U. Raghu Chaitanya, Sales Account Head, remembers vividly how he drove the entire collection project with his team.



“I was surprised at the decision of cutting down on middlemen and reducing the credit line. At a time when the companies were looking to reduce their inventory, we took the bold step of not rushing to sell without the visibility of collections. It paid off.”

recalls Mr. Abhay Deshpande, Divisional Head - Sales.

As a result, cash flow generation improved significantly on top of healthy EBIDTA. With no significant capex lined-up during the year, we reduced our debt levels, bringing down the gross debt to ₹770.18 crore (net debt ₹620.04 crore) with an impressive interest coverage ratio of 6.5 times. Going forward, we will continue to strengthen our Balance Sheet and leverage for accelerated growth and sustained value for stakeholders.



**Despite setbacks.
We delivered.**

“It was a tough decision. But we had to take the step. We knew our team would accept it, because we have always been transparent in our operations and governance.”

— Mr. N S Srinivas, HR Head, thoughtfully recalls of the salary cuts enforced for first few months in FY21.

Limitless = Commitment



“With zero production and zero sales, how do you sustain? Thankfully, our employees, who have been associated with us for a long time, understood the difficult and uncertain situation and stood by the organisation like a wall. *Aur kya chaiye ek organisation ko?*” he adds.

Above everything, our highest priority was to ensure safety, security and protection of our biggest asset: our workforce. We promoted health management, especially strengthened the COVID-19 prevention and control measures with a focus on occupational, physical and psychological health of employees at home.

“We were not at all apprehensive when we rolled out the survey for certification as Great Place to Work (GPTW) among the employees. We knew their commitment and trust in our Company. I remember, we celebrated the announcement like a family.” **Mr. Saji Kumar**, Plant HR Head laughingly recalls how Orient Cement was awarded GPTW for the second consecutive year with a record 99.3% employees

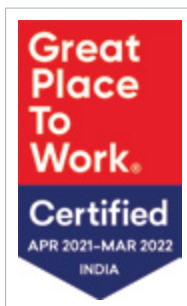
participating in the survey and with scores better than previous year.

We support development of our employees across their lifecycle of employment with us. We conducted programs to bring out expertise of our team across a wide range of disciplines making them our most important competitive advantage. We monitor diversity at all stages of employment, including recruitment, training and development of our employees. We also work closely with the communities where we operate to identify and invest in initiatives that help support local needs, including local talent and skill development.

“We were more closely connected than ever before. So many townhall meetings, celebration events, learning sessions, contests, etc. And the best part was not just employees, but their families also joined the celebrations,” **Ms. Tanmayee Varpe**, Brand Communication-Digital fondly remembers.



Engaged and committed. Turning the tide.



Up-close with Sustainability

At Orient Cement, we define our success over the years not just by our financial metrics, but also measuring our achievements to assess whether we are delivering across economic, social and environment parameters. Our plants are certified with domestic and global safety, health and environment benchmarks, that include:



Environment and Management System
ISO 14001:2015



Quality Management System
ISO 9001:2015



Occupational Health & Safety Management System
ISO 45001:2018



Energy Management System
ISO 50001:2018



Facility Management System
ISO 41001:2018

Investing in reducing emissions

We are on-track for our proposed investment in building a waste heat recovery (WHR) unit of nearly 10 megawatts with an investment of around ₹100 crore. We are confident this investment will not only help reduce operating costs, but also reduce the emissions. The WHR based electric power generation will result in reduced requirement of power from conventional sources and improve our overall competitiveness.

Demonstrating our commitment towards community

Undeterred by the challenges in the current year, we continued with our ongoing community development projects across specific areas. These focused initiatives help promote livelihoods, protect environment and strengthen our brand image. During the pandemic,

we stepped up our support to our neighbouring communities and helped them in mitigating the hardship they faced due to the pandemic. Not only did we enable better hygiene and healthcare support, we also provided them with food and provisions during the lockdown.






NURTURING TALENT TO CREATE LEADERS FOR TOMORROW




Focus areas:

 Education	 Healthcare
 Women empowerment	 Rural development
 Hunger and poverty	 Sanitation

₹8.26 crore

Spent on CSR activities

Read more about our CSR initiatives on page numbers: 61 and 73 of the report

Orient Cement Limited

CIN:L26940OR2011PLC013933

Registered Office: Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha-751 012

Tel: 0674-2396930 | Fax No. 0674-2396364

Corporate Office: Birla Tower, 3rd Floor, 25, Barakhamba Road, New Delhi-110 001

Tel: 011-42092100, 011-42092190

investors@orientcement.com | www.orientcement.com

Notice

NOTICE is hereby given that the 10th Annual General Meeting of the Members of Orient Cement Limited will be held on **Thursday, the 5th day of August, 2021** at 2:00 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:-

Ordinary Business

1. To consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2021, including the audited Balance Sheet as at March 31, 2021, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 1.50/- (150%) per equity share for the financial year ended March 31, 2021 and to confirm the interim dividend of ₹ 0.50/- (50%) per equity share paid during the financial year 2020-21.
3. To appoint a Director in place of Mr. Chandrakant Birla (DIN 00118473), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
4. To appoint statutory auditors of the Company and fix their remuneration and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Sections 139 and 142 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s B S R & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number 116231W/W-100024), be and hereby appointed as the Statutory Auditors of the Company for a term of five years, to hold such office from the conclusion of 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting of the Company to be held in the year 2026 on such remuneration and out of pocket expenses, as may be determined by the Board of Directors, from time to time."

Special Business

Item No. 5- To re-appoint Mr. I.Y.R. Krishna Rao (DIN 00481367) as an Independent Director and in this regard, to consider and if thought fit, pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory

modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. I.Y.R. Krishna Rao (DIN 00481367), whose term as an Independent Director would expire on May 4, 2022, be and is hereby re-appointed as an Independent Director of the Company for the second term of five consecutive years to hold the office from May 5, 2022 up to May 4, 2027, not liable to retire by rotation."

Item No. 6- To ratify the remuneration payable to Mr. Somnath Mukherjee, Cost Auditor of the Company for the financial year 2021-22 and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Members of the Company hereby ratify the payment of remuneration, as approved by the Board of Directors, to Mr. Somnath Mukherjee, Cost Accountant in Practice (M.NO.-F5343), the Cost Auditor of the Company, amounting to ₹ 90,000/- (Rupees ninety thousand only) plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the cement activity for the financial year 2021-22."

Item No. 7 - To approve the terms of remuneration payable to Mr. Desh Deepak Khetrpal, Managing Director & CEO (DIN 02362633) of the Company for the financial year 2021-22 and to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") and the Rules made thereunder and the provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time and subject to such approvals as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such approval(s) and as agreed to by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the consent of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing

Director and Chief Executive Officer (“MD & CEO”) of the Company for the period from April 1, 2021 to March 31, 2022 as per following terms and conditions, with the authority to the Board / Nomination and Remuneration cum Compensation Committee to alter and vary the remuneration payable to Mr. Desh Deepak Khetrapal within the limit of 5% of the net profit of the Company in such manner as may be agreed between the Board and Mr. Desh Deepak Khetrapal:

Particulars	Per Month (Rupees)	Per Annum (Rupees)
Basic Salary/ Basic Pay	34,00,000	4,08,00,000
Allowances and perquisites		
Special Allowance/ Pay	2,15,370	25,84,440
Medical Allowance/ Reimbursements	10,000	1,20,000
LTA	1,00,000	12,00,000
Gross Salary	37,25,370	44,704,440

In addition to the above, Mr. Khetrapal will be entitled to:

- (i) Suitable Company leased accommodation/ house rent allowance of ₹ 3,00,000/- (Rupees three lakhs) per month.
- (ii) Company car fully maintained, and chauffeur driven, for official use.
- (iii) The MD & CEO shall also be entitled to annual performance linked variable pay of ₹ 2,03,55,000/- (Rupees two crore three lakh fifty-five thousand only), payable upto 120% of the said amount subject to the performance of the Company and achievement of agreed targets as may be decided by the Board.
- (iv) Contribution to provident fund, gratuity and superannuation fund as per the Rules of the Company.
- (v) Encashment of un-availed leave at the end of the tenure or at specified intervals as per the Rules of the Company.
- (vi) Appointment will be terminable by either party by giving three months notice or salary in lieu thereof.

RESOLVED FURTHER THAT the aggregate salary, perquisites, bonus, benefits, allowances and other payments paid to Mr. Desh Deepak Khetrapal shall be subject to the limits prescribed under Section 197 of the Companies Act, 2013 and other applicable provisions of the Companies Act and the rules, circulars, orders and notifications issued there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 for the time being in force.

RESOLVED FURTHER THAT the Directors of the Company and the Company Secretary be and are hereby severally authorized to take all such steps as may be necessary for obtaining necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be necessary, proper, expedient or incidental for giving effect to this resolution.”

By order of the Board of Directors

Nidhi Bisaria

Place: Ghaziabad
Date: May 17, 2021

Company Secretary
(M. No. FCS-5634)

NOTES:

1. In view of the ongoing COVID-19 pandemic across the country, the Ministry of Corporate Affairs (“MCA”), vide its circular dated January 13, 2021 read with its earlier circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as “MCA Circulars”), permitted the companies to hold their Annual General Meeting (“AGM”) through video conferencing (“VC”) or other audio visual means (“OAVM”) for the calendar year 2021 without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013 (the ‘Act’), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The venue of the AGM shall be deemed to be the Registered Office of the Company at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar – 751012, Odisha.
2. A statement pursuant to Section 102(1) of the Companies Act, 2013 (“Act”), in respect to certain ordinary business and the special businesses to be transacted at the AGM is annexed hereto.
3. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.** The Route Map for the AGM is also not annexed with this AGM Notice.
4. **As per the provisions of Section 103 of the Act, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum.**
5. The details as per Regulation 36 of SEBI Listing Regulations in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, are provided in the Notice of AGM.
6. **Dispatch of Annual Report through Electronic Mode:** In compliance with the aforesaid MCA Circulars and the Securities and Exchange Board of India (“SEBI”) circular dated January 15, 2021 read with circular dated May 12, 2020 (hereinafter referred to as “SEBI Circulars”), Notice of the 10th AGM along with the Annual Report for the financial year 2020 - 21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant/ Registrar and Share Transfer Agent of the Company. Members may note that this Notice alongwith Annual Report for the financial year 2020-21 will also be available on the website of the Company at **www.orientcement.com**, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively and also on the website of KFin Technologies Private Limited, Registrar and Share Transfer Agent (“RTA”) of the Company at **https://evoting.kfintech.com**.

7. **Procedure for updating / registering the email address and mobile number for receiving Annual Report and other communications from the Company electronically and updation of bank account mandate for receipt of dividend:**

Members holding shares in Physical Form:

Members who have not registered their e-mail address and as a consequence are not receiving communications from the Company electronically (viz. the Annual Report, Notice of AGM, e-voting details, etc.) may get their email address and mobile number registered by providing the same to the Company's RTA, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for receiving such communications electronically. Members are requested to follow the process as provided in the link for updating their email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any query on registering the email addresses and mobile number, the shareholder may write to einward.ris@kfintech.com.

Alternatively, Members may send a request to the Company/ RTA, alongwith following details / documents for registering / validating / updating their information in database viz. Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card) and AADHAR (self-attested scanned copy of Aadhar Card) at investors@orientcement.com or to RTA at einward.ris@kfintech.com.

Following additional details need to be provided in case of registration / updation in Bank Account details viz. Name and Branch of the Bank in which you wish to receive the dividend, Type of Bank Account, Bank Account Number allotted by their banks after implementation of Core Banking Solutions, 9 digit MICR Code Number, 11 digit IFSC Code and scanned copy of the cancelled cheque bearing the name of the first shareholder.

The Members may also send the above documents at the following address:

M/s. KFin Technologies Private Limited
Unit: Orient Cement Limited
Selenium Tower B, Plot 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad - 500 032, Telangana

Members holding shares in Dematerialized Form:

Members holding shares in electronic form are requested to intimate any change in their email address and / or mobile number and/ or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of above mentioned particulars.

8. **For enabling the Members to participate at the 10th AGM, the Company has appointed M/s KFin Technologies Private**

Limited, the Registrar and Share Transfer Agent ("KFin Tech" or "RTA"), to provide VC/OAVM facility and e-voting facility for the Annual General Meeting. Participation at the AGM through VC shall be allowed on a first-come-first-served basis.

9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact RTA to seek guidance for the demat procedure. Members may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure.
10. **Procedure for Inspection of Documents:** The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts, Certificate from the Statutory Auditors on the implementation of ESOP Scheme and other relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to investors@orientcement.com.
11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Thursday, July 29, 2021, by sending e-mail to investors@orientcement.com. The same will be replied by the Company suitably. Please note that the shareholders' questions will be answered only if the shareholder continues to hold the shares as of the cut-off date, i.e., Thursday, July 29, 2021.
12. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or through e-voting at the AGM. Corporate/Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutiniser at e-mail ID - aklabhcs@gmail.com with a copy marked to the Company at investors@orientcement.com, authorising its representative(s) to attend and vote through VC/ OAVM on their behalf at the Meeting, pursuant to Section 113 of the Act.
13. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, July 30, 2021 to Thursday, August 5, 2021**, both days inclusive, for annual closing and for determining the entitlement of the Members to the final dividend for financial year 2020-21.

14. **Payment of Dividend:** The dividend on Equity Shares, if declared at the AGM, will be paid, subject to deduction of tax at source, on or before September 3, 2021 to the Members whose names appear on the Company's Register of Members as on the close of business hours on Thursday, July 29, 2021 and whose bank mandate are registered in the records of the Depository Participants/RTA. For Members whose bank mandates are not updated with the Depository Participants / RTA as on the book closure date, demand drafts or warrants or cheques shall be sent through post only after the situation, currently impacted by COVID-19 pandemic, normalises.

15. **Tax Deduction at Source on Dividend:** Pursuant to Income-tax Act, 1961, as amended, dividend income will be taxable in the hands of Shareholders w.e.f. April 01, 2020 and the Company is required to deduct tax at source at the prescribed rates from dividend to be paid to shareholders. For the prescribed rates under various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

For Resident Shareholders, tax shall be deducted at source under Section 194 of the Income-tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during the financial year 2021-22 provided PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per Section 206AA of the Income-tax Act, 1961. However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during the financial year 2021-22 does not exceed ₹ 5,000.

A resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Further, in terms of newly inserted Section 206AB effective from July 1, 2021 by the Finance Act, 2021, TDS deducted shall be higher of the following i) Twice the rate specified in the relevant provision of the Income-tax Act; or ii) Twice the rate or rates in force; or iii) the rate of 5%; in case a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of TDS in his/her case is ₹ 50,000 or more in each of these two financial years which shall not be limited to TDS only on dividend income received by the shareholder but will include all TDS transactions of the shareholder during the relevant financial year.

Shareholders are also informed that, the TDS shall be deducted at a higher rate of 20% instead of 10% in case where PAN shall stand invalid in absence of its non-linking with Aadhar within the time frame as provided by the Government of India.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits.

Shareholders may submit the aforementioned documents by sending an email to einward.ris@kfintech.com or by uploading the self-attested documents at <https://ris.kfintech.com/form15/> on or before Thursday, July 29, 2021 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post Thursday, July 29, 2021. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the afore mentioned details / documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

Shareholders may download the TDS certificate from the Income Tax Department's website <https://incometaxindiaefiling.gov.in> (refer to Form 26AS). If any shareholder need assistance in obtaining the TDS certificate, may write to the Company at investors@orientcement.com or to RTA at einward.ris@kfintech.com.

A separate email communication has also been sent at the registered email id of the Members regarding the process to submit the documents/declarations alongwith the relevant formats to avail the benefit of applicable tax rates of deduction of tax at source on the final equity dividend payout.

16. **IEPF related information:** Members who have not encashed their dividend paid by the Company so far up to and during the financial year ended March 31, 2021, may immediately approach the Company / RTA for claiming dividend amount. Information in respect of the unclaimed dividend up to March 31, 2021, will be uploaded on the website of Investor Education and Protection Fund ("IEPF") Authority of the Government, i.e., www.iepf.gov.in and on the website of the Company, www.orientcement.com after the AGM.

Please note that the unpaid/unclaimed final dividend for the financial year 2013-14 shall become due to transfer to IEPF on **September 12, 2021** upon completion of seven years in terms of section 124(6) of the Act. The corresponding shares shall be transferred to relevant Demat Account of the IEPF Authority as per Rule 6 of the IEPF Rules, 2016, as amended. You are thus requested to claim the unclaimed dividend by sending a written application to KFin Tech or to the Company's Registered / Corporate Office address along with (a) copy of PAN Card; (b) a cancelled cheque of your registered bank account; and (c) the original un-encashed Dividend warrant or a duly filled in indemnity letter in the format available on the website of the Company www.orientcement.com. The said application should reach the Company on or before **September 5, 2021** so as to enable us to submit your request to the bankers for transfer by NEFT or issuance of Demand Draft. In case no claim is received with respect to the above dividend, the shares (whether held in physical or electronic form) will be transferred by the Company to the Demat Account of the IEPF Authority.

In compliance to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company

has, during financial year 2020-21, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, that is, September 11, 2020 and March 7, 2021, respectively. Details of shares so far transferred to the IEPF Authority are available on the website of the Company <https://www.orientcement.com> and on the website of IEPF Authority of the Government, i.e., www.iepf.gov.in.

However, the Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same as well as the corresponding dividend by making an application to the IEPF Authority, in Web Form No. IEPF-5 available on www.iepf.gov.in. The shareholder can file only one consolidated claim in a financial year as per the IEPF Rules.

17. **Nomination:** Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members holding shares in physical form, desiring to avail of this facility, may send their nomination in the prescribed Form No. SH-13 duly filled-in to RTA. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
18. **Voting through electronic means (e-Voting and Insta Poll):**
 - i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated December 9, 2020, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means (“e-Voting”).
 - ii. **Remote e-Voting:** Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below (“remote e-Voting”). The facility of casting the votes by remote e-Voting will be provided by KFin Tech.
 - iii. **Voting at the AGM:** Members who could not vote through remote e-Voting may avail the e-Voting facility provided at the AGM through Insta Poll by KFin Tech. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting at the AGM. However, Members who have voted through remote e-Voting will be eligible to attend the AGM. The Insta Poll will remain active till the expiry of 15 minutes after the conclusion of the AGM.
 - iv. The remote e-Voting period commences on **Monday, August 2, 2021**, at 9.00 a.m. IST and ends on **Wednesday, August 4, 2021** at 5.00 p.m. IST. During this period, Members of the Company holding shares either in physical or dematerialised form, as on the cut-off date of **Thursday, July 29, 2021** (“Cut-off Date”) may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by KFin Tech for voting thereafter.
 - v. A Member can opt for only one mode of voting, i.e., either through remote e-Voting or through Insta Poll at the Meeting. If a Member casts votes by both the modes, then voting done through remote e-Voting shall prevail.
 - vi. The Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date, that is, **Thursday, July 29, 2021**.
 - vii. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the 10th AGM.
 - viii. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.
 - ix. Eligible members who have acquired shares after the dispatch of the Annual Report and holding shares as on the Cut-off Date, i.e., Thursday, July 29, 2021 or any Member who has forgotten the User ID and Password, may obtain / generate / retrieve the User ID and Password from KFin Tech in the manner as mentioned below:
 - a) If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate password.
 - b) Member may call on KFin Tech’s toll-free number 1800 309 4001 (from 9:00 a.m. to 6:00 p.m. on all working days).
 - c) Member may send an e-mail request to evoting@kfintech.com. After due verification of the request, User ID and password will be sent to the Member.
 - d) If the Member is already registered with KFinTech’s e-voting platform, then he/she/it can use his/her/its existing password for logging-in.
 - e) However, for attending the meeting through VC/OAVM all the members should login at <https://emeetings.kfintech.com> to participate in the meeting and also to cast vote in case they have not voted during remote e-voting period. For details on login method of e-voting please refer the instructions below under the head “Voting through electronic means”.
 - x. **The Board of Directors of the Company has appointed Mr. Atul Kumar Labh, a Practicing Company Secretary, (Membership No. FCS 4848/CP 3238), as the Scrutiniser to scrutinise the remote e-voting and Insta Poll process for the AGM in a fair and transparent manner.**

xi. **INSTRUCTIONS FOR MEMBERS FOR VOTING ELECTRONICALLY ARE AS UNDER:**

Members are requested to follow the instructions below to cast their vote through remote e-Voting:

I) For Individual Members holding securities in Demat mode:

As per the SEBI circular dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Members holding securities in Demat mode is given below:

Procedure to login through websites of Depositories	
National Securities Depository Limited (“NSDL”)	Central Depository Services (India) Limited (“CDSL”)
<p>1. User already registered for IDeAS facility of NSDL:</p> <ol style="list-style-type: none"> i. Type in the browser/click on the e-Services link: https://eservices.nsd.com ii. Click on the ‘Beneficial Owner’ icon under ‘IDeAS’ section. iii. A new page will open. Enter your User ID and Password. Post successful authentication, click on “Access to e-Voting” under Value Added Services iv. Click on ‘Active e-Voting Cycles’ option under e-Voting. v. Click on Company Name: ‘Orient Cement Limited’ or e-Voting service provider ‘KFin Tech’ and you will be re-directed to the e-Voting page of KFin Tech to cast your vote without any further authentication. <p>2. User not registered for IDeAS e-Services facility of NSDL:</p> <ol style="list-style-type: none"> i. To register type in the browser /click on, any of the following e-Service link: https://eservices.nsd.com or https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp ii. Select ‘Register Online for IDeAS’ iii. Proceed to complete your registration using your DP ID, Client ID, Mobile number and other required details. iv. After successful registration, follow the steps mentioned under Para 1 above to cast your vote. <p>3. User may directly access the e-Voting website of NSDL</p> <ol style="list-style-type: none"> i. Type in the browser /click on the following link: https://www.evoting.nsd.com/ ii. Click on the icon ‘Login’ which is available under ‘Shareholder/Member’ section. iii. Enter User ID (i.e. 16-digit demat account number held with NSDL starting with IN), Password/OTP and a Verification Code as shown on the screen. iv. Post successful authentication, you will be redirected to e-Voting page on NSDL website. v. Click on ‘Active E-Voting Cycles / VC or OAVMs’ option under e-Voting. vi. Click on Company Name: ‘Orient Cement Limited’ or e-Voting service provider ‘KFin Tech’ and you will be re-directed to the e-Voting page of KFin Tech to cast your vote without any further authentication. 	<p>1. User already registered for Easi / Easiest of CDSL</p> <ol style="list-style-type: none"> i. Type in the browser/click on any of the following links: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com ii. Click on New System Myeasi/ Login to My Easi option under Quick Login iii. Enter your User ID and Password for accessing Easi/ Easiest. iv. Click on Company Name: ‘Orient Cement Limited’ or select e-Voting service provider ‘KFin Tech’ and you will be re-directed to the e-Voting page of KFin Tech to cast your vote without any further authentication. <p>2. User not registered for Easi/Easiest facility of CDSL:</p> <ol style="list-style-type: none"> i. To register type in the browser /click on the following link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration ii. Proceed to complete your registration using your DP ID, Client ID, Mobile number and other required details. iii. After successful registration, follow the steps mentioned under Para 1 above to cast your vote. <p>3. User may directly access the e-Voting website of CDSL</p> <ol style="list-style-type: none"> i. Type in the browser /click on the following link: www.cdslindia.com or https://www.evotingindia.com ii. Provide demat account number and PAN. iii. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat account. iv. After successful authentication, you will enter e-voting module of CDSL. v. Click on Company Name: ‘Orient Cement Limited’ or e-Voting service provider ‘KFin Tech’ and you will be re-directed to the e-Voting page of KFin Tech to cast your vote without any further authentication.

Procedure to login through demat accounts of Members / Website of Depository Participant

Individual Members (holding securities in demat mode) may also login through their depository participants using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click against Company name ('**Orient Cement Limited**') or e-Voting service provider '**KFin Tech**' and you will be re-directed to e-Voting page of service provider, **i.e., KFin Tech** for casting the vote during the remote e-Voting period. You can now cast your vote without any further authentication.

IMPORTANT NOTE:

Members who are unable to retrieve User ID/ Password are advised to use **Forget User ID and Forget Passwords** option available on the above websites of Depositories/Depository Participants.

Contact details of NSDL – In case shareholders face any technical issue

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Contact details of CDSL – In case shareholders face any technical issue

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

II) For non-Individual Members and Members holding shares in physical form

Login method for non-individual Members and Members holding shares in physical form are given below:

A. In case a Member receives an e-mail from the Company / KFin Tech (RTA) [for members whose e-mail addresses are registered with the Company / Depository Participant(s)]:

- (i) Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- (ii) Enter the login credentials (User ID and password mentioned in the email communication). The E-Voting Event Number + Folio No. or DP ID Client ID will be your User ID. If you are already registered with KFinTech for e-voting, you can use the existing password for logging-in.
- (iii) After entering these details appropriately, click on LOGIN.
- (iv) If you are logging for the first time, you will reach the password change menu wherein you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and

answer of your choice to retrieve your password in case you forget it. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**

- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the e-Voting Event Number 'EVEN', i.e., **OREINT CEMENT LIMITED**.
- (vii) On the voting page you will see Resolution description and the number of shares (which represents the number of votes) held by you as on the cut-off date. If you desire to cast all the votes assenting/ dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the Cut-off Date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
- (viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- (ix) You may then cast your votes by selecting an appropriate option and click on 'SUBMIT'.
- (x) A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed

to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution(s).

- (xi) Corporate / Institutional Members (that is, other than Individuals, HUFs, NRIs, etc.) are also required to send legible scanned certified true copy (in PDF/JPG Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail id: **aklabhcs@gmail.com** with a copy marked to the Company at **investors@orientcement.com**. The naming format of the aforesaid legible scanned document shall be "Corporate Name EVEN".

B. In case of a shareholder whose e-mail address is not registered / updated with the Company / KFin Tech / Depository Participant(s), please follow the following steps to generate your login credentials:

- i. **Members holding shares in physical mode**, who have not registered / updated their e-mail address with the Company, are requested to register / update the same by clicking on **<https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>** or by providing the necessary details like Folio No., Name of the Member, scanned copy of the share certificate (front and back), self-attested copy of PAN card and self-attested copy of AADHAR card by email to **evoting@kfintech.com** or **investors@orientcement.com**.
- ii. **Members holding shares in dematerialised mode** who have not registered their e-mail address with their Depository Participant(s) are requested to register / update their e-mail address with the Depository Participant(s) with which they maintain their demat accounts.
- iii. After due verification, the Company / KFin Tech will forward your login credentials to your registered e-mail address.
- iv. Follow the instructions at II.(A). (i) to (xi) to cast your vote.

C. In case of any queries, you may refer the 'Frequently Asked Questions' (FAQs) for members and e-voting User Manual available at the 'Downloads' section of <https://evoting.kfintech.com>

kfintech.com or call at toll free no. 1800 309 4001. Any grievance relating to e-voting / AGM may be addressed to Mr. S V Raju, Deputy General Manager, at e-mail id: emeetings@kfintech.com.

19. Instructions for the Members for attending the AGM through VC/OAVM and voting through Insta Poll:

- a. Members will be provided with a facility to attend the AGM through VC/OAVM platform and voting through Insta Poll facility by the RTA of the Company. Members may access the same at **<https://emeetings.kfintech.com>** under shareholders/members login by using the e-voting credentials.
- b. Shareholders are requested to follow the procedure given below:
 - Launch internet browser (chrome/firefox/safari) by typing the URL: **<https://emeetings.kfintech.com>**.
 - Enter the login credentials (i.e., User ID and password for e-voting).
 - After logging in, click on 'Video Conference' option
 - Then click on camera icon appearing against AGM **EVEN 5962** of Orient Cement Limited to attend the AGM.
- c. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
- d. The facility for participation at the AGM through VC / OAVM platform shall open 15 minutes before the time scheduled for the AGM and will be closed on expiry of 15 minutes from the scheduled time of the AGM. The facility will be made available for 1000 members on first come first serve basis. This will not include large members (members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration cum Compensation Committee and Stakeholder's Relationship Committee, Auditors, who are allowed to attend the AGM without restriction on account of first come first serve basis.
- e. Members are encouraged to join the Meeting through laptops with Google Chrome for better experience.
- f. While all efforts will be made to make the VC/ OAVM meeting smooth, Members connecting from mobile devices or tablets or through laptop, connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is, therefore, recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- g. Facility to vote through Insta Poll will be made available on the Meeting page (after you log into the Meeting) and will be activated once the Insta Poll is announced at the Meeting. An icon, "Vote", will be available at the bottom left on the Meeting Screen. Once the voting at the Meeting is announced by the Chairman, Members who have not cast their vote using remote e-voting will be able to cast their vote by clicking on this icon.
- h. Members who need technical assistance before or during the AGM, can contact the KFin Tech at emeetings@kfintech.com or evoting@kfintech.com or Toll Free helpline No. - 1800 309 4001.
- i. Members who would like to express their views/ask questions during the AGM may register themselves as Speaker Shareholder at <https://emeetings.kfintech.com/> by clicking on the 'Speaker Registration' option available on the screen after login in. Members may also post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. **Speaker Registration will be open from August 2, 2021 (9:00 a.m. IST) to August 4, 2021 (5:00 p.m. IST).** Only those shareholders who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of speakers, number of questions and time for each speaker depending upon the availability of time for smooth conduct of the AGM, and therefore, the opportunity to speak at the AGM would be dependent upon the availability of time inspite of registration as speaker.
- j. A video guide assisting the members attending the AGM either as a speaker or participant is available for quick reference at: <https://emeetings.kfintech.com/video/howitworks.aspx>
20. The recorded transcript of the 10th AGM shall also be made available on the website of the Company, www.orientcement.com in the Investor's section, as soon as possible after the AGM is over.
21. The Scrutiniser shall, after the conclusion of voting at the AGM, first count the votes cast during the meeting and thereafter, count the votes cast through remote e-voting and shall submit a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or any officer of the Company so authorised by the Board. Result of the voting shall be declared forthwith, but within 2 working days from the conclusion of the AGM. The results declared alongwith the Scrutiniser's report, will be posted on the website of the Company www.orientcement.com and on the website of KFin Tech at www.evoting.kfintech.com and will be communicated to the Stock Exchanges, where the Company's shares are listed.
22. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM, i.e., Thursday, August 5, 2021.

By order of the Board of Directors

Nidhi Bisaria

Company Secretary
(M. No. FCS-5634)

Place: Ghaziabad
Date: May 17, 2021

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Members of the Company at the 8th Annual General Meeting ('AGM') held on August 1, 2019 approved the appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/ E300005) to hold office as Statutory Auditors from the conclusion of AGM held in the year 2019 till the conclusion of tenth AGM of the Company to be held in the year 2021 on such remuneration and reimbursement of out of pocket expenses, as may be approved by the Board of Directors, from time to time. M/s S.R. Batliboi & Co. LLP, Chartered Accountants will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of M/s. B S R & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number 116231W/W-100024), as the Statutory Auditors of the Company for a term of five years, from the conclusion of 10th Annual General Meeting till the conclusion of the 15th Annual General Meeting to be held in the year 2026 on such remuneration and out of pocket expenses, as may be determined by the Board of Directors, from time to time.

The Committee considered various parameters like audit experience, market standing of the firm, clientele served, technical knowledge, etc., and found M/s. B S R & Associates LLP to be best suited to handle the audit of the financial statements of the Company.

M/s. B S R & Associates LLP, have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends the Ordinary resolution set forth at item no. 4 of the Notice for the approval of the members.

Item No. 5

The shareholders of the Company in the Annual General Meeting held on September 23, 2017, approved the appointment of Mr. I.Y.R. Krishna Rao as an Independent Director of the Company for a period of five years upto May 4, 2022. In terms of the provisions of section 149(10), Mr. I.Y.R. Krishna Rao is eligible for re-appointment as an Independent Director of the Company for a second term of five consecutive years by passing special resolution in this regard.

The Company has received notice in writing under the provisions of section 160 of the Companies Act, 2013, from a member proposing the candidature of Mr. I.Y.R. Krishna Rao for the office of Independent Director, to be re-appointed as such under the provisions of section 149 of the Companies Act, 2013.

Requisite consent has been received from Mr. I.Y.R. Krishna Rao pursuant to provisions of section 152 of the Companies Act, 2013. In the opinion of the Board, Mr. I.Y.R. Krishna Rao who is proposed to be appointed as an Independent Director of the Company fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. I.Y.R. Krishna Rao as an Independent Director.

Mr. I.Y.R. Krishna Rao is directly concerned and interested in this resolution as it relates to his re-appointment and no other Director or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the resolution.

Mr. I.Y.R. Krishna Rao along with his relatives do not hold any shares in the Company and has no relationship with any other Director of the Company.

The Board recommends the special resolution set forth at item no. 5 of the Notice for the approval of members for the re-appointment of Mr. I.Y.R. Krishna Rao as an Independent Director of the Company, not liable to retire by rotation, for the period of 5 years from May 5, 2022 upto May 4, 2027, pursuant to section 160 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 6

In accordance with the provisions of section 148 of the Companies Act, 2013 (the "Act") and the Companies (Audit and Auditors) Rules, 2014 (the "Rules"), the Company is required to appoint a Cost Auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee at its meeting held on May 17, 2021, the Board has approved the re-appointment of Mr. Somnath Mukherjee, Cost Accountant in Practice (M.NO.-F5343), as Cost Auditors of the Company for conducting the audit of the cost records of the Company for the financial year ending March 31, 2022, required to be audited under the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), at a Cost Audit fees of ₹ 90,000/- (Rupees ninety thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Cost Audit fees to be paid to the Cost Auditors of the Company has to be approved by the shareholders of the Company. Accordingly, the members are requested to ratify the remuneration of the Cost Auditors for the financial year 2021-22 as set out in the resolution for the aforesaid services to be rendered by him.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the proposed resolution.

The Board recommends the Ordinary resolution set forth in Item no. 6 of the Notice for the ratification by the members.

Item No. 7

Explanatory Statement

The Members by way of Postal Ballot on October 4, 2020, re-appointed Mr. Desh Deepak Khetrapal (DIN 02362633) as Managing Director and CEO of the Company for a period of 2 years w.e.f. 1st April, 2020, subject to revision in his remuneration every year.

Mr. Khetrapal, aged 65 years, is a professional, holding Honors Degree in Business & Economics and Masters Degree in Business Administration in Marketing & Finance from the Delhi University. He has vast work experience in service, industrial, consumer and retail businesses. He is associated with the Company as Managing Director and CEO since 2012. Mr. Khetrapal is the driving force behind the Company. Mr. Khetrapal is a man with a vision to create a business of excellence and is the inspiration for all, as he spearheads the Company's management and operations; strategizing and directing it through its next phase of growth.

Further, on the recommendation of the Nomination & Remuneration cum Compensation Committee of the Company, the Board of Directors in their meeting held on May 17, 2021 has recommended revision in the remuneration of Mr. Khetrapal for the financial

year 2021-22, subject to the approval by the members of the Company and such other consents and approvals that may be required. All relevant documents are available for inspection by members electronically up to the date of the AGM. Members seeking to inspect such documents can send an email to investors@orientcement.com.

Mr. Khetrapal is a non-executive Director of HIL Limited and Orient Electric Limited.

Except the remuneration and perquisites as stated above, Mr. Desh Deepak Khetrapal has no direct or indirect pecuniary relationship with the Company or managerial personnel. Further, as of date of this notice, Mr. Khetrapal alongwith his relatives does not hold any shares in the Company and has no relationship with any other Director of the Company. Mr Khetrapal continues to hold 8,31,900 stock options vested in him during his term as the Managing Director and Chief Executive Officer of the Company from April 2015 up to March 2020. Mr Khetrapal is entitled to, but not obliged to, exercise these stock options up to August, 2023. Except Mr. Khetrapal, no other Director or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the proposed resolution.

The Board recommends the Ordinary Resolution set forth in Item no. 7 of the Notice for the approval of the members.

Details of Directors seeking appointment and re-appointment at the Annual General Meeting pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings

Particulars	Mr. Chandrakant Birla	Mr. I.Y.R. Krishna Rao
DIN	00118473	00481367
Age	66 years	65 years
Qualifications	Bachelor of Arts	M.A. (Economics)
Experience	44 years	40 years
Terms and conditions of appointment/ re-appointment	Re-appointment upon retirement by rotation.	Re-appointment as an Independent Director
Date of first appointment on the Board	July 23, 2011	May 5, 2017
Occupation	Industrialist	Retired IAS - Chief Secretary, Andhra Pradesh
Expertise in specific functional areas	Industrialist having rich business experience in managing diversified industrial enterprises.	Administration, Economics and Finance.
Directorships held in other listed entities in India	1. Orient Paper & Industries Limited 2. HIL Limited 3. Orient Electric Limited 4. Birlasoft Limited	NIL
Memberships/ Chairmanships of Committees of Board in listed entities in India	1. Orient Electric Limited · Nomination & Remuneration Committee - Member 2. Orient Cement Limited · Nomination & Remuneration cum Compensation Committee- Member 3. HIL Limited · Nomination & Remuneration cum Compensation Committee- Member	1. Orient Cement Limited – · Audit Committee-Chairman · Risk Management Committee – Chairman · Corporate Social Responsibility Committee- Member
Shareholding in the Company	3,88,000 No. of Shares (as on March 31, 2021)	Nil
Number of Board Meetings attended during the year 2020-21	Attended all the 8 meetings	Attended all the 8 meetings

Directors' Report

Dear Members,

Your directors are pleased to present the 10th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2021.

SUMMARY OF FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2021 is summarised below:

Particulars	₹ in Crore)	
	2020-21	2019-20
Revenue from Operations	2,324.09	2,421.80
Earnings before interest, depreciation, amortisation & taxation	569.03	400.59
Interest / finance costs	93.57	122.32
Profit before depreciation and taxation	475.46	278.27
Depreciation and amortization expenses	141.85	140.87
Profit before taxation	333.61	137.40
Taxation	119.42	50.81
Net profit	214.19	86.59
Transferred from Employee Stock Options Outstanding	-	1.83
Profit brought forward from last year	375.63	307.68
Profit available for appropriations	589.82	396.10
Appropriations		
Other Comprehensive Income	(1.04)	(1.94)
Dividend on equity shares	25.61	15.37
Corporate dividend tax	-	3.16
Balance carried to balance sheet	563.17	375.63
EPS (₹)	10.45	4.23

BUSINESS AND FINANCIAL PERFORMANCE

The Covid-19 induced healthcare and humanitarian crisis in the year under review posed unprecedented challenges for the Indian economy and the society at large. As a result, during FY 2020-21, the core sector reported degrowth of 7% and the Indian cement sector reported a degrowth of 11.9%, despite robust recovery in demand and production as the year progressed and the exit month of March reporting a strong growth of over 32.5%, though on a small base month of FY20. As is usual, the regional and State specific variations in demand growth continued during FY21 too. While North, East and Central markets have reported relatively better demand situation

year on year, both West and South have experienced moderate to large de-growth. Unfortunately, the markets that your Company serves have seen significant contractions due to higher impact of the pandemic in Maharashtra, stretched fiscal deficits and consequently a hiatus in large infrastructure projects in several states. With a complete lockdown for the significant part of the first quarter of FY21, the priority to reduce costs, conserve cash and strengthen liquidity was overarching. To address the evolving reality and market-by-market opportunities and risks, your Company developed an inclusive decision framework to respond to market dynamics with the required agility and speed. As a result, your Company delivered a progressive quarter on quarter improvement in its all-round performance. Concurrently, deep cost rationalisation measures, including several one-off measures involving deferral of various discretionary/ quasi-discretionary and other drastic cost cuts were taken to deliver improvement in profitability and cash generation. In view of the high uncertainty, proposed investments in capacity enhancement were held in abeyance until better line of sight emerges on demand trends.

The extraordinary and timely efforts supported by better sales realisation, as a result of optimisation of product-mix, customer-mix and market-mix, helped your Company to emerge stronger, delivering significant improvement in both profits and cash generation. During FY 2020-21, net debt was reduced by ~46%, strengthening the Balance Sheet and creating a robust platform for addressing future growth opportunities.

The key business and financial highlights of your Company are as under:

- Total sales volume for the year stood at 51 lac tons against 58 lac tons in FY20, a degrowth of around 12%.
- We continue to focus on production and promotion of blended cement in line with your Company's commitment to environmental sustainability. Total blended cement sale was 61% for the year vs 57% in FY2019-20.
- Net Sales realization for the year was ₹ 4,598 per ton as against ₹ 4,167 during last year.
- The overall capacity utilization stood at 63% for the year with Q4 FY21 reaching 92%.
- Despite the decline in sales volume, EBITDA for the year was ₹ 569.03 crore representing 42% improvement over ₹ 400.59 crore during last year.
- Net profit for the year improved by 147% vs last year; ₹ 214.19 crore as compared with ₹ 86.59 crore in FY2019-20.

A key priority for your Company throughout FY21 remained the safety and well-being of its people, neighbouring communities as also its channel partners, vendors and customers. Your Company undertook several measures to keep its people safe and to provide medical, financial and psychological support to everyone who needed it. Your Company also extended all assistance and support to the communities around its area of operations to mitigate their hardship, in consultation and in collaboration with the local administration.

During the year under review, your Company has entered into Share Purchase, Subscription and Shareholder's Agreement with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited for acquisition of 26% stake of AMPSolar Systems Private Limited. The investment will provide access to 13.5 MWdc / 9 MWac of solar power to our Grinding unit at Jalgaon through the captive scheme.

Overcoming the challenges of working from home, your Company has progressed on a number of digital and automation initiatives in the sales and supply chain functions that will enable greater customer-centricity in future.

DIVIDEND & DIVIDEND DISTRIBUTION POLICY

During the year under review, the Board of Directors have declared an interim dividend of ₹ 0.50/- per equity share (50%) of face value of ₹ 1/- each, to the shareholders who were on the register of members as on February 9, 2021, being the record date fixed for this purpose.

Your Directors are pleased to recommend a final dividend amounting to ₹ 1.50/- (150%) per equity share of face value of ₹ 1/- each for the year ended March 31, 2021, subject to approval of shareholders at the forthcoming Annual General Meeting of the Company as against dividend of ₹ 0.75/- (75%) per equity share paid in the immediately preceding year.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 30, 2021 to Thursday, August 5, 2021, both days inclusive, for determining the entitlement of the shareholders to the final dividend for financial year 2020-21.

Your Company has been consistently declaring dividends since its inception. Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board of Directors of your Company have adopted a Dividend Distribution Policy. Dividends declared by the Company are in line with the Dividend Distribution Policy of the Company which is enclosed as **Annexure -'1'** to this Report and is also placed on the website of the Company which can be accessed through the web link: <https://orientcement.com/investor/>.

BOARD OF DIRECTORS, ITS COMMITTEES AND MEETINGS THEREOF

The Company has a professional Board with an optimal composition of executive, non-executive and independent directors

including two women directors one of whom is independent. The Board members bring to the fore the right mix of knowledge, skills and expertise and provide strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of its stakeholders. The Board is also supported by five Committees of Directors viz. Audit Committee, Nomination & Remuneration cum Compensation Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee.

One meeting of the Board of Directors is held in each quarter. Additional meetings of the Board/Committees are convened as may be necessary for the proper management of the business operations of the Company. A separate meeting of independent directors is also held at least once in a calendar year to review the performance of non-independent directors, the Board as a whole and the Chairman.

During the financial year ended March 31, 2021, the Board of Directors met 8 (eight) times viz. on April 27, 2020, May 22, 2020, July 28, 2020, August 1, 2020, August 31, 2020, October 29, 2020, January 28, 2021 and March 17, 2021. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

A detailed update on the Board and its Committees' composition, number of meetings held during the financial year 2020-21 and attendance of the directors at these meetings is provided in the Report on Corporate Governance.

CHANGES IN DIRECTORS

In terms of the provisions of section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Chandrakant Birla (DIN 00118473), a Non-Executive Director and Chairman of the Company, is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board of Directors recommends the resolution for re-appointment of Mr. Chandrakant Birla, liable to retire by rotation, for the approval of the members of the Company at the ensuing Annual General Meeting.

At the 9th Annual General Meeting of the Company, the combined special resolution proposing the re-appointment of Mr. Desh Deepak Khetrpal DIN 02362633 as the Managing Director & CEO of the Company for a further period of 2 (two) years, i.e., from April 1, 2020 up to March 31, 2022 and payment of remuneration for the period from April 1, 2020 up to March 31, 2021, was not passed by the members of the Company due to insufficient votes cast in favour of the resolution. Therefore, Mr. Desh Deepak Khetrpal ceased to be the Managing Director & CEO of the Company with effect from July 31, 2020.

The Board of Directors at their meeting held on August 1, 2020 and August 31, 2020, respectively, based on the recommendation of the Nomination & Remuneration cum Compensation Committee, approved the re-appointment of Mr. Desh Deepak Khetrpal as Managing Director & CEO of the Company for the term starting from

April 1, 2020 up to March 31, 2022 and terms of his remuneration for the financial year 2020-21 subject to the approval of members by way of Postal Ballot. The Board of Directors noted that Mr. Desh Deepak Khetrpal has extensive experience and expertise and acknowledged that Mr. Khetrpal is a crucial key managerial personnel of the Company, and that his re-appointment is crucial for the Company to ensure legal compliance as well as sound functioning of the Company.

The Postal ballot was conducted and the re-appointment of Mr. Desh Deepak Khetrpal as Managing Director & CEO of the Company for the term from April 1, 2020 up to March 31, 2022 and terms of his remuneration for the financial year 2020-21 were duly approved by the members of the Company by requisite majority on October 4, 2020.

On the recommendation of the Nomination & Remuneration cum Compensation Committee, the Board of Directors in their meeting held on May 17, 2021 recommended revision in remuneration of Mr. Khetrpal for the financial year 2021-22 and the resolution seeking approval of shareholders for payment of revised remuneration to Mr. Khetrpal has been included in the Notice of the Annual General Meeting. The Board of Directors recommends the resolution for your approval.

Mr. I.Y.R. Krishna Rao was appointed as an Independent Director of the Company with effect from May 5, 2017 and in terms of the provisions of section 149(10) of the Companies Act, 2013, his first term of five consecutive years is expiring on May 4, 2022. In terms of the provisions of section 149(10), Mr. I.Y.R. Krishna Rao is eligible for re-appointment as an Independent Director for another term of five years by passing special resolution in this regard. The resolution for re-appointment of Mr. I.Y.R. Krishna Rao, as an Independent Director, not liable to retire by rotation, has been included in the Notice of the Annual General Meeting. The Board of Directors recommend the resolution for your approval.

A brief profile and other details relating to the Directors are furnished in the Annual Report.

None of the directors are disqualified under section 164(2) of the Companies Act, 2013.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director under Section 149 of the Act and Regulation 25 of the SEBI Listing Regulations, confirming that he / she meets the criteria of independence laid down in Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

Independent Directors of the Company have got their name included in the data bank of Independent Directors being maintained by the Indian Institute of Corporate Affairs at Manesar notified under sub-section (1) of Section 150 of the Act as the Institute for the creation and maintenance of data bank of Independent Directors.

PERFORMANCE EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

A formal evaluation of the performance of the Board, its Committees, the Chairman and the individual directors was carried out for the financial year 2020-21. The performance evaluation was done using individual questionnaires, covering amongst others, composition of Board, receipt of regular inputs and information, functioning, performance and structure of Board Committees, skill set, knowledge and expertise of directors, contribution at Board meetings and leadership. The performance evaluation of the respective Committees and that of independent and non-independent directors was done by the Board excluding the director being evaluated.

The Nomination and Remuneration cum Compensation Committee of the Company annually reviews the performance evaluation process.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of section 203 of the Companies Act, 2013, Mr. Desh Deepak Khetrpal - Managing Director & CEO (DIN 02362633), Mr. Soumitra Bhattacharyya (FCA- A059004) and Mrs. Nidhi Bisaria - Company Secretary (FCS-5634) continue to hold their respective offices during the financial year 2020-21 as Key Managerial Personnel.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company endeavours to have an appropriate mix of executive, non-executive and independent directors to maintain independence from management and continue to provide appropriate governance. The selection and appointment of Board members are done on the recommendations of the Nomination & Remuneration cum Compensation Committee. The appointments are based on meritocracy and having due regard for diversity. While evaluating the candidature of an independent director, the Committee abides by the criteria for determining independence as stipulated under the Companies Act, 2013 and the SEBI Listing Regulations. In case of re-appointment of directors, the Board takes into consideration the results of the performance evaluation of the directors.

The copy of the Nomination & Remuneration Policy for Directors, Key Managerial Personnel and Senior Management is attached as **Annexure 'I'** to the Corporate Governance Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has formulated a vigil mechanism through a Whistle Blower Policy to deal with instances of illegal practices, unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy.

Adequate safeguards are provided against victimization to those who take recourse to the mechanism. The details of the Whistle Blower Policy are explained in the Corporate Governance Report. The Whistle Blower Policy is available on Company's website and can be accessed through the web link: <https://orientcement.com/investor/>.

AUDIT COMMITTEE

The Company has a duly constituted Audit Committee in line with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee met four (4) times during the year. Detailed information pertaining to the Audit Committee has been provided in the Report on Corporate Governance.

AWARDS AND RECOGNITIONS

In recognition of its constant quest for excellence in energy efficiency, environmental protection, safety, growth and innovation, your Company has been honoured and recognised at various forums. The prominent awards earned during FY21 are listed below for your reference:

Devapur Plant:

1. "Excellence in Energy Management 2020" award as Energy Efficiency Unit by CII at 21st National Award (Virtual) Event.
2. "Platinum Award" Winner of Grow Care India Safety Award 2020 for outstanding achievement in Safety Management.
3. "Environment Award 2020" Winner from Greentech Foundation for outstanding achievements in environment protection.
4. "Platinum Award" Winner of Apex India Occupational Health & Safety award 2020 in Cement Sector from Apex India Foundation for outstanding achievement in Occupational Health & Safety.
5. "Best Supply Chain in Manufacturing" Award 2020 presented by SCMP Pro Forums during 6th India Logistics & Supply Chain Awards 2020.

Chittapur Plant:

1. PLATINUM AWARD under Apex India Occupational Health & Safety Award 2020.
2. Third prize for State Level Safety Award from Department of Factories and Boilers, Govt. of Karnataka for overall good safety performance throughout the year under the category of Mega Scale Industries.
3. "Winner" award for outstanding achievements in "Environment Protection" category in 20th Annual Greentech Environment Award 2020.

4. "National Efficiency Award 2021" under Runner Up category in Southern Region for reduction in Plant Heat Rate of thermal power plant.
5. "Winner" award for outstanding achievements in "Industry Sector Safety Excellence" category in 19th Annual Greentech Safety Summit.
6. "Excellent Energy Efficient Unit – 2020" award from Confederation of Indian Industry (CII India) for being number one in specific power consumption and third in specific heat consumption in the country. Additionally, Chittapur Plant has been declared as number one in the country in extracting maximum life (393 running days) from refractory used in rotary kiln.
7. Runner Up Award for "Excellence in implementation of new environmental norms in Thermal Power Plant" (in minimizing SO_x and NO_x) from Mission Energy Foundation.

Jalgaon Plant:

1. Golden Bird Excellence Award 2020 – Platinum Award towards Excellence in Water Stewardship.
2. Fame Excellence Award 2020-2021 – "FAME (Foundation for Accelerated Mass Empowerment) Excellence Award 2020-21" in Platinum Award for the outstanding Project on "Environment Management".

STATUTORY AUDITORS

M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/ E300005) were appointed as Statutory Auditors of the Company by the shareholders at the Annual General Meeting held on August 1, 2019 to hold office as Statutory Auditors for the term of two years from the conclusion of eighth Annual General Meeting of the Company held in the year 2019 till the conclusion of tenth Annual General Meeting of the Company to be held in the calendar year 2021.

The Auditors' Report for the financial year 2020-21 does not contain any reservation or qualification, on the financial statement of the Company. Auditors Report is self-explanatory and therefore, does not require further comments and explanation.

Further, in terms of section 143 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, notifications / circulars issued by the Ministry of Corporate Affairs from time to time, no fraud has been reported by the Auditors of the Company where they have reason to believe that an offence involving fraud is being or has been committed against the Company by officers or employees of the Company.

The Board of Directors of the Company, based on the recommendation of the Audit Committee and as per the provisions of section 139(2) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, propose the appointment of M/s B S R & Associates LLP, as the Statutory Auditors of the Company in

place of M/s S.R. Batliboi & Co. LLP, the retiring Statutory Auditors for a term of 5 years, i.e., from the conclusion of 10th Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company to be held in the year 2026. The resolution for their appointment has been included in the Notice of the Annual General Meeting. The Board of Directors recommends the resolution for your approval.

The Company has received a letter from M/s B S R & Associates LLP confirming that they are eligible for appointment as Statutory Auditors of the Company under section 139 of the Companies Act, 2013.

COST AUDITORS

In terms of the section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. The Board has appointed Mr. Somnath Mukherjee, Cost Accountant (M.No.-F5343), as Cost Auditors of the Company for the financial year 2021-22 at a fee of ₹ 90,000/- (Rupees Ninety thousand only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing Annual General Meeting.

The Company has received a letter from Mr. Somnath Mukherjee to the effect that the re-appointment would be within the limits prescribed under section 141(3)(g) of the Companies Act, 2013 and that he is not disqualified for such re-appointment in terms of section 141 of the Companies Act, 2013.

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Ranjeet Pandey and Associates, Company Secretaries (Registration No. F-5922), were appointed to conduct the Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report is annexed to this report as **Annexure '2'**. The Secretarial Auditor's report is self-explanatory and therefore, does not require further comments and explanation.

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, the Company has undertaken an audit for the financial year 2020-21 for all applicable Securities and Exchange Board of India ("SEBI") compliances. The Annual Secretarial Compliance Report issued by M/s Ranjeet Pandey and Associates, Company Secretaries, (CP No. 6087), for the financial year 2020-21 has been submitted to the Stock Exchanges within the prescribed time limit.

The Board has re-appointed M/s Ranjeet Pandey and Associates, Company Secretaries, as Secretarial Auditor of the Company for the financial year 2021-22.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the financial year under review, your Company has not given any loan or guarantee, made investment and provided security which are covered under the provisions of section 186 of the Companies Act, 2013.

However, after the close of the financial year 2020-21 and till the date of this Report, the Company has invested in 2600 equity shares of ₹ 10/- each of AMPSOLAR Systems Pvt. Ltd. in terms of the Share Purchase, Subscription and Shareholder's Agreement with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited for acquisition of 26% stake.

RELATED PARTY TRANSACTIONS

The Company has adequate procedures for identification and monitoring of related party transactions. All transactions entered into with related parties during the financial year were at arm's length basis. All related party transactions were placed before the Audit Committee and to the Board for approval, wherever required. Prior omnibus approval of the Audit Committee and Board was obtained for the transactions that were of a foreseen and repetitive nature. These transactions were reviewed by the Audit Committee on a quarterly basis.

There were no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

For details on related party transactions, members may refer to the notes to the financial statements. The Policy on related party transactions as approved by the Board is available on the Company's website and can be accessed through the web link: <https://orientcement.com/investor/>.

Particulars of contract or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is annexed as **Annexure '3'** to the Report.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company during the year under review.

MATERIAL CHANGES AND COMMITMENTS

On account of the outbreak of COVID-19 virus, the Government of India had imposed a nation-wide lockdown on March 24, 2020 leading to temporary shut-down of the Company's manufacturing facilities and operations. Thereafter, the Government of India progressively relaxed lockdown conditions and allowed industries and businesses to resume operations. The Company had commenced

its manufacturing operations across all its plants in a phased manner during the month of April 2020 and May 2020 after obtaining permissions from appropriate government authorities.

In view of the highly uncertain economic environment which is continuously evolving on account of the COVID 19 outbreak, the management re-assessed its liquidity position from time to time and did not anticipate any challenge in the Company's ability to continue as a going concern including recoverability of the carrying value of its property, plant and equipment, intangible assets and MAT credit.

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and till the date of this Report.

RISK MANAGEMENT

The Company has constituted a Risk Management Committee of the Board to review the risk management plan / process of the Company. The Risk Management Committee identifies potential risks, assesses their potential impact and takes timely action to mitigate the same.

The Company has a Risk Management Policy which has been approved by the Board. The Risk Management Policy acts as an overarching statement of intent and establishes the guiding principles by which key risks are managed across the organization. The Board monitors and reviews periodically the implementation of various aspects of the Risk Management Policy through a duly constituted Risk Management Committee (RMC). The RMC assists the Board in its oversight of the Company's management of key risks, including strategic and operational risks, as well as the guidelines, policies and processes for monitoring and mitigating such risks under the aegis of the overall Business Risk Management Framework.

There are no risks identified by the Board which may threaten the existence of the Company. Please refer detailed section on risk management covered in the Management Discussion and Analysis Report which forms an integral part of this report.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

As per the provisions of section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust systems/ framework of internal financial controls to provide them with reasonable assurance regarding the adequacy and operating effectiveness of controls with regard to reporting, operational and compliance risks. To enable the Directors to meet these responsibilities, the management has devised systems/ frameworks which are operating within the Company. In line with best practices, the Audit Committee and Board regularly review the internal control system to ensure that it remains effective and fit for the purpose. Where weaknesses are identified as a result of the reviews, new procedures are put in place

to strengthen controls and these are in turn reviewed at regular intervals. The systems/ frameworks include proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, internal audit framework, ethics framework, risk management framework and adequate segregation of duties.

Your Company's management has established and maintained internal financial controls based on the internal control over financial reporting criteria established in the integrated framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (2013 Framework) (the COSO criteria), which considers 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. Based on information provided, nothing has come to the attention of Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review.

The Internal Auditor of the Company reports functionally to the Audit Committee of the Board, which reviews and approves risk based annual internal audit plan. The Audit Committee periodically reviews the performance of internal audit function.

CORPORATE SOCIAL RESPONSIBILITY

The basic concept of Company's Corporate Social Responsibility ('CSR') is to serve the interest of society in a just and equitable manner along with taking the responsibility for the impact of business activities on various stakeholders in all aspects of Company's operations. Your Company has been taking several initiatives under CSR for the society at large, much before it was prescribed through the Companies Act, 2013.

The Board has constituted a CSR Committee and has a well-defined Policy on CSR as per the requirement of section 135 of the Companies Act, 2013 which covers the activities as prescribed under Schedule VII of the Companies Act, 2013. The Board has made changes in the said Policy in its meeting held on May 17, 2021 to align it with the amendments made in the provisions of Section 135 of the Companies Act, 2013 and the (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"). In view of the amendments, definition of CSR, CSR implementation, CSR monitoring, treatment of surplus arising from CSR projects, carry-forward and set-off of excess CSR expenditure, are clearer and more expansive and have been incorporated in the CSR Policy of the Company appropriately.

The details about the CSR Committee are provided in Corporate Governance Report which forms part of this Report.

The report on CSR activities, pursuant to section 134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms part of this Report as **Annexure '4'**.

The CSR Policy of the Company is placed on the website of the Company and can be accessed through the web link: <https://orientcement.com/investor/>.

PARTICULARS OF EMPLOYEES, DIRECTORS AND KEY MANAGERIAL PERSONNEL

The disclosures relating to remuneration and other details as required in terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure '5'**, which forms an integral part of this Report.

Further, in terms of the first proviso to Section 136 of the Act, the Reports and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said information will be made available for inspection through electronic mode by writing to the Company at **investors@orientcement.com** from the date of circulation of the AGM Notice till the date of the AGM.

SHARE CAPITAL

During the year under review, the issued, subscribed and paid-up Share Capital of the Company was 20,48,68,760 shares of ₹ 1/- each. There was no change in the capital structure of the Company during the financial year ended March 31, 2021.

ANNUAL RETURN

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company as at March 31, 2021 can be accessed through the web link <https://orientcement.com/investor/>.

EMPLOYEES STOCK OPTION SCHEME

The Company has in place the Employees Stock Option Scheme 2015 ('ESOS-2015') which provides for grant of Stock Options to eligible employees of the Company.

During the financial year 2020-21, no options were granted under ESOS-2015. The applicable disclosure under SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations") as at March 31, 2021 has been uploaded on the website of the Company and can be accessed through the web link <https://orientcement.com/investor/>. There is no change in the ESOS scheme of the Company during the financial year.

Certificate from M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/ E300005), Statutory Auditors of the Company confirming that the scheme has been implemented in accordance with the SEBI Regulations, would be placed at the ensuing Annual General Meeting of the Company for inspection by the members.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

During the financial year ended March 31, 2021, one case regarding sexual harassment at the workplace of the Company was reported and investigated. Allegations were substantiated in the said case and the accused personnel was separated from the services of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Regulation 34(2) of the SEBI Listing Regulations, a detailed Management Discussion and Analysis Report is presented in a separate section forming an integral part of the Annual report.

CORPORATE GOVERNANCE

Corporate Governance ensures fairness, transparency and integrity of the management. As a part of its strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasizes the need for full transparency and accountability in all its transactions, in order to protect the interests of its stakeholders. The Board considers itself a trustee of the Company's shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth. The Company is committed to high levels of ethics and integrity in all its business dealings that avoids conflicts of interest. In order to conduct business with these principles, the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

As per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a detailed report on Corporate Governance forms an integral part of Annual Report and is set out as separate section therein which forms integral part of this report.

The certificate of M/s S.R. Batliboi & Co. LLP (ICAI Firm Registration Number 301003E/ E300005), Chartered Accountants, the Statutory Auditors of the Company certifying compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations is annexed with the Report on Corporate Governance. The Auditors' certificate for financial year 2020-21 does not contain any qualification, reservation or adverse remark.

LISTING WITH STOCK EXCHANGES

The equity shares of the Company continue to be listed on the National Stock Exchange of India Limited and BSE Limited. The annual listing fees for the financial year 2021-22 have been paid to these exchanges.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(3)(c) of the Companies Act, 2013, the Board of Directors hereby state that:

1. In the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. They have selected such accounting policies and applied them consistently and made judgments 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 on March 31, 2021 and of the profit and loss of the Company for the year ended on that date;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. They have prepared the annual financial statements on a going concern basis;
5. They have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively.
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company values the significance of conservation of energy and technology absorption and remains conscious about the environmental impact of its business operations. During the financial year, the Company implemented various energy conservation measures, technology absorption and process optimisation measures across all its plants. Judicious use of energy was adopted at all levels of operations by utilizing energy efficient systems and processes and continuous monitoring thereof. As a result of these initiatives, our integrated cement manufacturing unit at Chittapur as well as Orient Cement as a whole, has one of the lowest energy consumption in the Indian cement industry.

At Orient Cement Ltd., we, value the importance of water conservation and believe it's a critical life sustaining resource. Continuous efforts have been made towards water resource management and conservation measures through measuring, monitoring, creating awareness and deploying technologies like water harvesting and recharging of water bodies. All our plants are water positive.

The particulars required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption is enclosed as **Annexure '6'** forming part of this Report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the financial year, the Company has not earned any foreign exchange.

The total foreign exchange outgo during the year was ₹ 29.30 crore.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the financial year 2020-21, the Company had no Subsidiary, Associate or Joint Venture company.

DEPOSITS

During the financial year under review, the Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its operations in the future.

BUSINESS RESPONSIBILITY REPORT

As per the provisions of Regulation 34(2) of the SEBI Listing Regulations, as amended, the Annual Report of the top 1000 listed entities based on market capitalisation shall include a Business Responsibility Report ("BRR").

The Company, being one of such top 1000 listed entities, has included BRR for financial year 2020-21, as part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

OTHER STATUTORY DISCLOSURES

Your Directors state that no disclosure or reporting is required with respect to the following items as there were no transactions related to these items during the year under review:

1. Issue of equity shares with differential rights to dividend, voting or otherwise.
2. Issue of sweat equity shares.
3. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

a) Transfer of Unpaid/Unclaimed Dividend to Investor Education and Protection Fund:

Pursuant to the provisions of Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended, unpaid and/or unclaimed dividend of ₹ 22,37,280 pertaining to the financial year ended on March 31, 2013 and unpaid and/or unclaimed interim dividend of ₹ 8,66,113 for the year ended March 31, 2014 were transferred during the year to the Investor Education and Protection Fund ("IEPF").

b) Transfer of shares to IEPF

Pursuant to the provisions of Section 124 of the Act read with the IEPF Rules, 8,68,918 and 7,770 equity shares of face value of ₹ 1 each, in respect of which dividend was not paid or claimed by the members for seven consecutive years or more, have been transferred by the Company to IEPF during the year. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Ministries and Departments of Government of India and Regulatory Authorities for their continued support. The Directors also place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment, which was key in achieving transformational change and deliver significant performance improvement during a year of unprecedented volatility.

By order of the Board of Directors
For Orient Cement Limited

Place: London
Date: May 17, 2021

CK. Birla
Chairman
(DIN 00118473)

Annexure-1

Dividend Distribution Policy

1. BACKGROUND, PURPOSE, OBJECTIVES AND SCOPE

The equity shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. SEBI vide its Notification No. SEBI/ LAD-NRO/GN/2016-17/008 dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Policy in place by the top five hundred listed companies based on their market capitalization. Considering the provisions of the aforesaid Regulation 43A, the Board of the Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders. The intent of the Policy is to broadly specify the following:

- (a) The circumstances under which the shareholders of the Company may or may not expect dividend;
- (b) Internal and external factors including financial parameters that shall be considered while declaring dividend;
- (c) Policy as to how the retained earnings shall be utilized;
- (d) Parameters that shall be adopted with regard to various classes of shares.

Any deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board.

The Board of Directors of the Company in its meeting held on 4th February, 2017 has approved this Dividend Distribution Policy of the Company which endeavors for fairness, consistency and sustainability while distributing profits to the shareholders.

2. EFFECTIVE DATE

This Dividend Distribution Policy is effective w.e.f. 4th February, 2017.

3. DEFINITIONS

“**Act**” shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.

“**Board**” or “**Board of Directors**” shall mean the Board of Directors of the Company.

“**Company**” means Orient Cement Limited.

“**Dividend**” includes any interim dividend and shall mean Dividend as defined under the Companies Act, 2013.

“**Listing Regulations**” shall mean the “SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015” and the amendments thereto.

“**Policy**” shall mean this Dividend Distribution Policy.

“**SEBI**” shall mean Securities and Exchange Board of India.

4. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

(I) Financial parameters and Internal Factors

- (a) Working capital requirements
- (b) Profits earned during the year
- (c) Profit available for distribution
- (d) Past dividend payout ratio/ trends
- (e) Earnings per share(EPS)
- (f) Cost of Borrowing
- (g) Capital expenditure requirement
- (h) Business expansion, growth and acquisition
- (i) Creation of contingency fund
- (j) Investment in joint-ventures, associates and subsidiaries
- (k) Agreements with lending institutions/ debenture trustees etc.
- (l) Likelihood of crystallization of contingent liabilities, if any

(II) External Factors

- (a) Statutory provisions and guidelines
- (b) Economic environment
- (c) Capital Markets
- (d) Global conditions
- (e) Dividend payout ratio of competitors

5. CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED

The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders & the Company. The shareholders of the Company may not expect Dividend under the following circumstances:-

- (a) Proposed expansion plans including capital expenditure for existing operations, requiring higher capital allocation
- (b) Decision to undertake any acquisitions, amalgamation, merger, joint ventures, new product launches etc. which requires significant capital outflow
- (c) Requirement of higher working capital for the purpose of business of the Company
- (d) Proposal for buyback of securities
- (e) In the event of loss or inadequacy of profit

6. MANNER OF UTILISATION OF RETAINED EARNINGS

The Board may decide to plough back the earnings for a particular financial year(s) to ensure the availability of funds for any of the following purpose:-

- (a) Expansion plans
- (b) Modernization plans
- (c) Diversification/ acquisition of business
- (d) Plant expansion & diversification
- (e) Replacement of capital assets
- (f) Mitigate dependence on external debts
- (g) High financial leverage
- (h) Other such criteria as the Board may deem fit from time to time

7. PARAMETERS FOR VARIOUS CLASSES OF SHARES

The holders of the equity shares of the Company, as on the record date, are entitled to receive dividends. Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. The Policy shall be suitably revisited at the time of issuance of any new class of shares depending upon the nature and guidelines thereof.

8. PROCEDURE

- (a) The Chief Financial Officer in consultation with Managing Director & CEO of the Company shall recommend any

amount to be declared/ recommended as Dividend to the Board of the Company.

- (b) The agenda of the Board where Dividend declaration/ recommendation is proposed shall contain the rationale of the proposal.
- (c) Pursuant to the provisions of the applicable laws and this Policy, interim dividend approved by the Board will be confirmed by the shareholders and final dividend, if any, recommended by the Board, will be subject to shareholders approval, at the ensuing Annual General Meeting of the Company.
- (d) The Company shall ensure compliance of provisions of applicable laws, the Act, SEBI Rules and Regulations and this Policy in relation to Dividend declared by the Company.

9. POLICY EXCLUSION:

The Policy shall not be applicable in the following circumstances:-

- (a) Any distribution of cash as an alternative to payment of dividend by way of buyback of equity shares
- (b) Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities
- (c) Determination and declaration of dividend on preference shares, if any.

10. DISCLOSURES

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. www.orientcement.com.

11. GENERAL

- (a) The Policy would be subject to revision/ amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorised, from time to time, on the subject matter.
- (b) The Company reserves its right to alter, modify, cancel, add, delete or amend any of the provisions of this Policy.
- (c) In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-2

Secretarial Audit Report

For the financial year ended on 31st March, 2021

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

To,
The Members,
Orient Cement Limited,
Unit – VIII, Plot No. 7,
Bhoinagar, Bhubaneshwar,
Odisha - 751012

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**Orient Cement 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, *to the extent possible due to lockdown announced by Government of India on account of COVID-19 pandemic*, of **Orient Cement Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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 books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- iv) 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, 2009;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

- e) 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.
- v) As confirmed by the management, the following legislations specifically applicable to the Company, being Cement manufacturing Company:-
 - a) The Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004;
 - b) Indian Boilers Act, 1923 read with Andhra Pradesh Boiler Rules, 1967;
 - c) The Petroleum Act, 1934;
 - d) The Explosive Rules, 2008;
 - e) The Static & Mobile Pressure Vessels (Unfired) Rules, 1981;
 - f) Cylinder Rules, 2004;
 - g) Ammonium Nitrate Rules, 2012;
 - h) Mines Act, 1952;
 - i) Cement (Quality Control) Order, 2003;
 - j) Limestone And Dolomite Mines Labour Welfare Fund Act, 1972;
 - k) Mines and Minerals (Development And Regulation) Act, 1957;
 - l) Mineral Conservation and Development Rules, 1988;
 - m) Metalliferous Mine Regulations, 2012;
 - n) The Explosives Act, 2008 read with rules made thereunder.

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) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. In terms of Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, a company shall inform, at the latest available address, the shareholder concerned regarding transfer of shares three months before the due date of transfer of shares and also simultaneously publish a notice in the leading newspaper in English and regional language having wide circulation informing the concerned that the names of such shareholders and their folio number or DP ID - Client ID are available on their website duly mentioning the website address. During the year under review, the Company has transferred shares to IEPF Authority two times in compliance of the provisions of the aforesaid Rules. All the compliances regarding transfer of shares have been duly made by the Company with respect to publication of notice in newspapers, sending of notices to the shareholders, both physically and through email, in both the cases except sending of physical notices at one time. As explained by the management, the Company was unable to dispatch physical notices to individual shareholders due to disruption in postal services on account of COVID-19 pandemic during the month of June 2020, however the same were duly dispatched on July 27, 2020 upon resumption of postal services well before the due date of transfer of shares to IEPF, i.e., on September 11, 2020.
2. The Company filed e-form DIR-12 for cessation of office of Mr. Desh Deepak Khetrpal as Director of the Company when his re-appointment was not approved by the members of the Company at Annual General Meeting based on a legal opinion, however, the same should have been filed for change in his designation from Managing Director to Director.

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all directors to schedule the Board Meetings including committee meetings during the financial year under review, agenda and detailed notes on agenda were sent

properly before the scheduled meeting, 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.

All the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the financial year under review.

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.

We further report that one of the designated employees of the Company traded in the shares of the Company during the stipulated trading window closure period in violation of the Company's Code of Conduct to Regulate, Monitor and Report trading by designated persons in securities of the Company. As explained by the Management, in view of the very small quantity of the shares traded and observing that there was no mala fide intent, the Company issued a warning letter to the said employee forbidding him from entering into any such transaction in future and promptly informed the Stock Exchanges in terms of the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

We further report that, during the audit period, the Company has declared and paid dividend and necessary compliances of the Companies Act, 2013 were made.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

CS RANJEET PANDEY

Place: NEW DELHI

Date: 17.05.2021

FCS- 5922, CP No.- 6087
UDIN F005922C000335086

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

To,
The Members,
Orient Cement Limited,
Unit – VIII, Plot No. 7,
Bhoinagar, Bhubaneswar,
Odisha - 751012

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

1. Management 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of the 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.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by Government of India on account of COVID-19 pandemic.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

Place: NEW DELHI
Date: 17.05.2021

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN F005922C000335086

Annexure-3

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 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 arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis----NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) 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 arrangement or transactions at arm's length basis - NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Date(s) of approval by the Board, if any
- (f) Amount paid as advances, if any

By order of the Board of Directors
For Orient Cement Limited

CK. Birla
Chairman
(DIN 00118473)

Place: London
Date: May 17, 2021

Annexure-4

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2020-21

1. Brief outline on CSR Policy of the Company:

The Company's CSR Policy framework details the mechanisms for undertaking various projects/ programmes in accordance with Section 135 of the Companies Act, 2013 for the benefit of the community. The Company primarily focuses on education, healthcare, rural development and infrastructure development.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during FY 2020-21	Number of meetings of CSR Committee attended during FY 2020-21
1	Mr. Janat Shah	Chairman-Non-Executive - Independent Director	2	2
2	Mr. Desh Deepak Khetrapal	Member- Executive Director	2	2
3	Mr. Rabindranath Jhunjhunwala	Member-Non-Executive - Independent Director	2	2
4	Mr. I.Y.R. Krishna Rao	Member-Non-Executive - Independent Director	2	2

3. 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.

The composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on website of the Company and can be accessed through the weblink: <https://orientcement.com/investor/>

4. Provide details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable.

5. Details of amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹ lacs)	Amount required to be set-off for the financial year, if any (in ₹ lacs)
NIL			

6. Average net profit of the Company as per Section 135(5): ₹ 9293 lacs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 185.86 lacs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**

(c) Amount required to be set-off for the financial year, if any: **NIL**

(d) Total CSR obligation for the financial year(7a+7b-7c): ₹ 185.86 lacs

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in ₹ Lacs)	Amount Unspent (in ₹ lacs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		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
825.53	Not Applicable				

(b) Details of CSR amount spent against **ongoing projects** for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year. (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
											Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in ₹ lacs)	Mode of Implementation Direct (Yes/No)	Name	CSR Registration number
1.	School Running Expenses	Promoting education	Yes	Telangana	Mancherial	382.83*	Yes	-	-
2.	Medicines distribution to villagers & other medical facility	Promoting healthcare including preventive health care	Yes	Telangana	Mancherial	15.36	Yes	-	-
				Maharashtra	Jalgaon	5.00	Yes	-	-
3.	Donation – PM CARES Fund – COVID -19	Socio economic development and relief	No, National Level	-	-	400.00	Yes	-	-
	Donation- Dist. Collector-Mancherial Relief Fund COVID -19		Yes	Telangana	Mancherial	5.00	Yes	-	-
4.	Other Projects								
i.	Grant to Vanvasi Kalyan Parishad	Eradicating hunger, poverty and malnutrition	Yes	Telangana	Mancherial	1.44	Yes	-	-
ii.	Distribution of Groceries Tribal Community & Meal during covid pandemic		Yes	Telangana	Mancherial	5.40	Yes	-	-
			Yes	Maharashtra	Jalgaon	3.00	Yes	-	-
iii.	Maintenance of Sulabh Complex	Sanitation	Yes	Telangana	Mancherial	4.05	Yes	-	-
iv.	Construction & Painting at Dhyan Kendra	Rural development projects	Yes	Telangana	Mancherial	0.39	Yes	-	-
v.	Development of park in village					1.04		-	-
vi.	Plantation work near villages					0.17		-	-
vii.	Making room with shed work					1.85		-	-
	TOTAL					825.53			

*Including provision for gratuity of ₹ 25.81 lacs related to school staff as per actuarial valuation report.

The Company has always taken up social and community development initiatives at its establishments and project sites and has been contributing in the areas of education, healthcare and rural development. Apart from the above expenditure, the Company has also spent ₹ 193.67 lacs on projects related to building rural infrastructure and community development programs which are not covered under section 135 of the Companies Act, 2013.

- (d) Amount spent in Administrative Overheads- **NIL**
- (e) Amount spent on Impact Assessment, if applicable-**NIL**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)- **₹ 825.53 lacs**
- (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	185.86
(ii)	Total amount spent for the Financial Year	825.53
(iii)	Excess amount spent for the financial year ((ii)-(i))	639.67
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	639.67*

*Note: In view of the ongoing CSR commitments of the Company towards promoting education, healthcare and rural development, vis a vis, the statutory CSR obligations of the Company calculated as per the provisions of Section 135 of the Companies Act, 2013, it is unlikely that the amount available for set off would be utilized by the Company during the succeeding three financial years. Accordingly, no adjustments have been made to this effect.

9. (a) 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 ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project- Completed / Ongoing
NIL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset -wise details). **Not Applicable**

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5). **Not Applicable**

By order of the Board of Directors

For Orient Cement Limited

Janat Shah
Chairman of CSR Committee
(DIN 01625535)
Place: Udaipur

D. D. Khetrapal
Managing Director & CEO
(DIN 02362633)
Place: New Delhi

Date: May 17, 2021

Annexure-5

Details pertaining to remuneration

As required under section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21:-

Sl. No.	Name of the Director/ KMP and Designation	Ratio of remuneration of each Director/ to median remuneration of employees	% Increase/ (Decrease) in remuneration in the financial year 2020-21
1.	Mr. CK. Birla – Chairman	3.09	100%
2.	Mr. Desh Deepak Khetrapal - Managing Director & CEO	138.71	(40%)
3.	Mrs. Amita Birla - Director	2.16	40%
4.	Mr. Rabindranath Jhunjhunwala - Director	2.16	40%
5.	Mr. Rajeev Jhawar - Director	2.16	40%
6.	Mr. Janat Shah - Director	2.16	40%
7.	Mr. Swapan Dasgupta - Director	2.16	40%
8.	Mr. I. Y. R. Krishna Rao - Director	2.47	60%
9.	Mrs. Varsha Vasant Purandare – Director	2.16	40%
10.	Mr. Soumitra Bhattacharyya - Chief Financial Officer	Not Applicable	(3%)
11.	Mrs. Nidhi Bisaria -Company Secretary	Not Applicable	(2%)

- (ii) As a measure of cost control and preserving cash to appropriately deal with unpredictable situation due to Covid-19 pandemic, during the financial year 2020-21, there was reduction in the pay out of the remuneration of senior level employees and key managerial personnel while no increments were made in the remuneration of other employees. Further, during the said financial year, the median remuneration of employees reduced marginally by 2.76%.
- (iii) There were 859 management staff on the rolls of the Company as on March 31, 2021.
- (iv) Due to no increments, the percentile increase in the salaries of employees in the financial year 2020-21 other than the managerial personnel was nil. Further, there was a reduction of 40% in the remuneration of Managing Director & CEO of the Company for the said financial year.
- (v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

By order of the Board of Directors
For Orient Cement Limited

CK. Birla
Chairman
(DIN 00118473)

Place: London
Date: May 17, 2021

Annexure-6

Conservation of Energy and Technology Absorption

A) Conservation of energy:	
<p>(i) the steps taken or impact on conservation of energy</p>	<p>Devapur</p> <ul style="list-style-type: none"> □ The existing conventional duct at Line 1 Kiln is replaced with bell mouth at the cooler fans (12 Nos.) resulted saving of 1 Unit per tonne of Clinker and also got opportunity to save 4-5 KCal /Kg of Clinker thermal energy together with modification in horseshoe. □ Reshuffling of high voltage (HT) motors at Line 1 Kiln with low voltage (LT) motors at Cooler ESP and coal mill exhaust fans and providing relevant speed regulation mechanism resulted 0.5 units per tonne of Clinker. □ Elimination of 90, 80 and 70 mm grinding media from raw tube mill and reduction in overall volumetric grinding media loading by 10% resulted saving of 1.3 units per tonne in raw meal grinding at Line 1 Kiln. <p>The existing conventional duct at Line 3 Kiln is replaced with bell mouth at the Cooler fans (7 Nos.) resulted saving of 1 Unit per tonne of Clinker and also got opportunity to save 10-12 KCal / Kg in Clinker thermal energy together with provisions of damper in tertiary air duct.</p> <ul style="list-style-type: none"> □ Kaizen type modifications and optimizations resulted saving of 1900 Units per day. □ Started firing rice husk in Boiler 2 in CPP as AFR to the level of 5% based on availability. □ Duct modification of economiser to Air Preheater improved Turbine loading from 21.5 to 22.5 MW. <p>Jalgaon</p> <ul style="list-style-type: none"> □ 29382 Units / year saving by replacing 150 Nos of HPSV lights with LED. <p>Chittapur</p> <ul style="list-style-type: none"> □ Replacement of conventional lights with LED bulbs (470 Nos) resulted in to saving of 74460 Units per annum. <p>Chittapur CPP</p> <ul style="list-style-type: none"> □ Adjustment and fine tuning of primary and secondary air in Boiler (CPP) resulted in 1.1. MT coal per day. □ 1 MT per day coal saving in CPP by better maintaining high pressure heater-1.
<p>(ii) The steps taken for enhancing alternate sources of fuels</p>	<p>Devapur: Usage of Alternative Fuels in all three Kilns in plants.</p> <ul style="list-style-type: none"> □ Hazardous waste □ Carbon black □ Agro waste like rice husk and cotton stalk □ Plastic waste. <p>Chittapur: Usage of Alternative Fuels in Kiln</p> <ul style="list-style-type: none"> □ Solid and liquid hazardous waste □ Agro waste like rice, tur and soya husk □ Plastic waste □ Carbon black
<p>(iii) The capital investment on energy conservation equipment</p>	<p>Devapur</p> <ul style="list-style-type: none"> □ Installation of liquid AFR feeding system in Line-3 Kiln is under trial. <p>Chittapur</p> <ul style="list-style-type: none"> □ Replaced 70W HPSV fittings in wagon loading shed with 35W LED fittings 120 Nos saving approx. 15330 kwh/annum. □ Replaced 150W HPSV fittings in wagon loading shed by 70W LED fittings 100 numbers saving approx. 29200 kwh/annum.

(B) Technology absorption:	
(i) The efforts made towards technology absorption	<p>Devapur</p> <ul style="list-style-type: none"> □ Gunning castable introduced in preheater critical areas. □ Installation of new draft and temporary points in 6th cyclone feed pipes. □ Coating repellent castable applied in 6th cyclone feed pipes. <p>Jalgaon</p> <ul style="list-style-type: none"> □ Up-gradation of air conditioner with energy efficient inverter model. □ Upgradation of Line 2 OS and SCADA (Windows XP based). □ Replacement of packer-4 Enmas Drag Chain Conveyor with air slide. □ Installation of single drive synchronized pump and fan □ Air cooled force lubrication heat exchanger over water cooled heat exchanger in SKS separator. □ Polycom both rollers water lance making by SS material and erection in-house. <p>Chittapur</p> <ul style="list-style-type: none"> □ Unmanned system for mines weigh bridges operation. □ In-house development of bag counting system at packing plant. Integration of the same with plant DCS. □ Indication of additive reclaimers pile position and interlocking of Gypsum and performance enhancer feeding system with reclaimers in their respective piles to avoid manual errors. □ Installation of dual zero speed sensors for critical equipment to avoid the nuisance stoppages. □ Remote operator screen for Quality Control Lab to monitor the relevant parameters from lab. □ Development of flashing alarms on mimics for failures of dual ZSS's to avoid unwanted stoppages. □ Provision of soft reset buttons on mimics to reset the non-critical faults for raw mill weigh feeders. □ Separate group for bag filter system with provision of selection/deselection for additive stacker circuit. □ Provision of indications and control from CCR for WTP submersible pumps (3 no's).
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	<p>Devapur</p> <ul style="list-style-type: none"> □ Introduced sintercast blow bars for limestone crusher which has given prolonged maintenance free life. □ Fog spray system introduced to control fugitive emissions in the raw material and coal dump hoppers. <p>Jalgaon</p> <ul style="list-style-type: none"> □ Elimination of unwanted tripping of Line-2 RP discharge elevator 87019 by providing Lubricant Cooling System. □ Provision of multiple types of Cement despatch from same truck loading point with installation of a short belt from Packer #3 to #1. <p>Chittapur</p> <ul style="list-style-type: none"> □ Optimization in power consumption. □ Reduction in manual errors. □ Reduction in stoppages.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
(a) the details of technology imported	Not Applicable
(b) the year of import	Not Applicable
(c) whether the technology been fully absorbed	Not Applicable
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
(iv) the expenditure incurred on research and development	Not Applicable

By order of the Board of Directors
For Orient Cement Limited

CK. Birla
Chairman
(DIN 00118473)

Place: London
Date: May 17, 2021

Management Discussion and Analysis Report

REVIEW OF INDIAN ECONOMY

The Indian economy is estimated to have shrunk by 7.6% in FY21 amidst an unprecedented health crisis affecting lives and livelihood. Economic output suffered deep contraction in early part of the year as production centres were exposed to lockdown and experienced consequential supply chain and demand disruption. While contact intensive services and industries were hit the hardest, agriculture sector remained comparatively less affected.

After two successive quarters of contraction, GDP growth moved into positive territory (+0.4%) in Q3, driven by pent up demand post the gradual unlocking of the economy following a -23.9 percent contraction in Q1. High frequency indicators such as e-way bills, rail freight, GST collections and power consumption soared past their pre-pandemic levels during this period. Good monsoons, bumper harvests, crop procurement, enhanced financial and welfare support by the Government and the movement of migrant labour to their villages ensured robust money circulation in the rural economy.

The government increased its consumption spending to propel overall demand even as RBI adopted accommodative monetary policy and asset buy back to provide liquidity, control yields and decrease the cost of borrowing. The liberalization of the agricultural sector along with private sector participation, as envisioned by the New Farm Bill and amendments in Essential Commodities Act, marks a milestone in the structural transformation of the sector.

The high infrastructure capex announced during the Budget session, under the overarching theme of Aatmanirbhar Bharat is expected to trigger a trickledown effect in the economy through increased public investments. However, the overhang of a slowing economy, as indicated by the low-capacity utilisation since FY 20, could be a dampener.

The IMF increased its growth projections for India by 100 basis points between January to April to 12.5% in FY22¹. The vaccination euphoria and attendant hopes of recovery have been tempered by the second Covid 19 wave sweeping through a number of states, putting the growth trajectories at risk. The scarcity of essential medical equipment, vaccines and life-saving drugs are indicative of the severity of the upheaval. The government's limited room for fiscal stimulus, owing to an overstretched spending in the aftermath of Lockdown 1.0 may compound the impending crisis.

The Indian economy is wading through uncertainty and the fragile recovery is dependent on mitigating subsequent waves of infections, vaccination distribution and adapting to evolving scenarios with greater agility. Furthermore, inflation will depend on stable monsoons, taxes on petroleum products and international commodity prices.

INDIAN CEMENT INDUSTRY OVERVIEW

Cement production in India has registered a sequential decline in FY21 by ~12% due to demand contraction from housing and infrastructure sector, along with deferred capacity expansion². The lockdown enforced in the aftermath of the pandemic severely impacted the industry as it coincided with its peak demand period. While resumption in production was constrained by Covid 19 protocols, with limited available capacity, reverse migration of labourers and decline in household expenditure, led to demand contraction in the urban economy. The fall in urban demand was however compensated by resilience in rural demand due to better agricultural output and rural infrastructure projects.

In general, fuel, power and freight constitute more than half of the total cost of sales of cement in India. During the first half of the fiscal, improved price realisations supported by aggressive cost rationalisation measures cushioned the degrowth in volumes, resulting in improved profit margins. The decline in expenditure was aided by reduction in power and fuel costs along with favourable contract negotiations and improved road-rail mix.

Demand and production improved in H2FY21 over H1FY21, driven by the push to infrastructure projects and improved retail demand in rural economy. However, the slow recovery of real estate and infrastructure projects at State Government levels contributed to the YoY de-growth.

The industry is expected to witness a volume growth due to demand revival in infrastructure and urban housing segments, driven from a low base. However, the industry's need to improve operating leverage with focus on improving capacity utilisation is likely to limit price improvement. Concurrently, the recent increase in power and fuel prices may lead to a margin compression, although higher volume is likely to support higher absolute profitability and debt reduction.

The industry is estimated to register production growth of 10-12% along with improved capacity utilization of 60% - 65% in FY22 due to government's thrust on infrastructure spending and robust rural demand. However, growth estimates are contingent upon expeditiously arresting the deteriorating health crisis at the beginning of the new fiscal year. The widening of the fiscal deficit in the wake of the second wave of infection could stem the flow of investment in proposed infrastructure projects and further dampen aggregate demand and consumer sentiments. While the long-term prospects of the industry remain optimistic, the near-term outlook remains uncertain and volatile.

¹ IMF WEO April 2021

² Cement Industry March 2021 updates, CARE Ratings

Growth Drivers

Long term growth outlook in sectors such as housing and commercial real estate, construction and infrastructure remains robust and is forecasted to drive demand in the cement industry.

Real Estate: Real Estate market is projected to reach USD 1 trillion by 2023 and had attracted an estimated investment of ₹ 46,000 crores (USD 6.5 billion) in FY2020.³ The reduction of home loan rates has improved affordability of housing in urban locations. The real estate market in tier 1 cities is likely to gain traction due to the increasing adoption of work from home practices. Rural and affordable housing will continue to support demand and boost the cement industry.

Capacity utilisation: Capacity addition is estimated to be in the range of 21-22 million metric tonnes in FY2022. Demand growth is expected to support the industry's capacity utilisation levels to around 64% in FY2022 from a low of 55% in the previous year.⁴

Infrastructure: The infrastructure sector is a crucial contributor to the construction sector's order book and the NIP can provide a significant boost to construction. Projects like the Bharatmala pipeline, the metro railway projects in key cities like Mumbai, Bangalore, Chennai and Ahmedabad, and national airport projects are likely to add to the construction activity that have resumed in recent months.

Government Policies

National Infrastructure Pipeline

The Government of India launched the National Infrastructure Pipeline (NIP) in FY20 with an initial planned expenditure of US\$ 1.4 trillion on various infrastructure projects through 2019-2025 to become a \$5 trillion economy by 2024-25⁵. The NIP aims to create job opportunities, improve living standards and offer equitable access to infrastructure for all ensuring inclusive development of economic and social infrastructure projects. The coverage of NIP was expanded from 6,835 projects to 7,400 projects in FY22 and completion of 217 projects worth ₹ 1.10 lakh crores was informed in the Budget FY22.

Housing

The Affordable Rental Housing Complex (ARHC) scheme, launched under Pradhan Mantri Awas Yojana (PMAY), aims to provide migrant workers and urban poor with affordable rental accommodation and enhance their standard of living. The scheme is an important step towards realising the vision of 'Aatmanirbhar Bharat' as it serves to advance the greater objective of attaining 'Housing for all'.

While 48.02 lakh houses have been constructed since June 2015 against 1.11 crores sanctioned houses in PMAY (Urban), 77 lakh houses are under construction. Under PMAY (Rural) 1.36 crore houses have been completed. To boost the demand for housing, the tax concessions provided in FY21 are set to continue in FY22, i.e., increase in set limit of ₹ 45 lakhs (for affordable housing) and additional tax exemption of ₹ 1.5 lakhs on interest over and above ₹ 2 lakhs. Furthermore, an additional outlay of ₹ 18,000 crores has been allotted for PMAY-(Urban) in FY21.

Some of the major highlights from the FY22 Budget are³:

- Increased allocation towards capital expenditure for infrastructure creation by 34.5% to ₹ 5.54 lakh crores.
- Boosting the National Infra Pipeline (NIP) by setting up a Development Financial Institution (DFI) with an initial corpus of ₹ 200 billion. The DFI aims to build a lending portfolio worth ₹ 5 trillion in three years.
- Enable debt financing of InVITS by Foreign Portfolio Investors through amendments in legislation.
- Asset monetization of operating public infrastructure with an aim to finance new infrastructure along with a "National Monetization Pipeline" for potential brownfield infrastructure assets.
- The Roads and Highways sector has been allotted ₹ 1.18 lakh crores besides allowing NHAI to raise ₹ 65,000 crores from the market, taking the total to ₹ 1.83 lakh crores.
- Rural Infrastructure Development Fund has been enhanced to ₹ 40,000 crores, up from ₹ 30,000 crores.

ORIENT CEMENT OVERVIEW

Orient Cement is a mid-size cement manufacturer in India, with integrated cement plants located in Devapur (Telangana), Chittapur (Karnataka) and a split-grinding unit in Jalgaon (Maharashtra). With a total capacity of 8 MTPA, the Company serves consumers in Maharashtra, Telangana, Andhra Pradesh, Karnataka and parts of Madhya Pradesh, Tamil Nadu, Kerala, Gujarat, Uttar Pradesh, Goa and Chhattisgarh.

Core competencies

- The Company's focus on sustainability and resilience helped it to create benchmarks in the industry with quality cement. Its plants are certified for QMS ISO 9001:2015, EMS ISO 14001:2015, OHSMS ISO 45001:2018, ISO 50001:2018, ISO 27001:2013.
- The in-house lab, accredited by NABL, is equipped with the latest equipment like the X-Ray Analysers, Particle Size Analysers and Optical Microscope amongst others to ensure consistency in quality of the cement that it produces.
- Orient Cement is one of the only two Indian companies to be awarded the prestigious Total Plant Maintenance (TPM) excellence award by the Japan Institute of Plant Maintenance. The Company has received numerous awards for green and safe practices including 'GreenPro Certification' by CII - Green Products and Services Council, for its product Birla A1 Premium Cement (PPC).
- The Company is an active member of Global Cement and Concrete Association (GCCA), National Safety Council (NSC) and have committed itself to United Nations Sustainable Development Goals (UN SDGs).

³ PIB

⁴ <https://www.icraresearch.in/research/ViewResearchReport/3464>

⁵ <https://pib.gov.in/PressReleaseDetail.aspx?PRID=159805>

- Brand recall – Product mix and brand recognition is one of the core competencies of the Company. Cement continues to transition into a branded product and the Company has made consistent investments in brand building which has strengthened customer loyalty. The premium product offerings include “Birla A1 StrongCrete”, “Birla A1 Premium Cement- PPC”, “Birla A1 Premium Cement” – OPC 53 and 43 Grade.

Financial Performance

During the year under review, your Company has reported revenues of ₹ 2342.44 crore in 2020-21, a degrowth of 4% compared to ₹ 2439.52 crore in the previous year impacted by nearly 12% lower volumes due to Covid 19 pandemic. The capacity utilisation of the Company for the full year under review has been ~63%, though the utilisation in Q4 has been close to 92%. Despite lower volume, as a result of reduction in variable costs, driven mainly through power and fuel costs, lower repair and maintenance, advertising, and other fixed expenses along with higher sales realisation, the Company's EBITDA stood at ₹ 569.03 crore in 2020-21, a 42% increase compared to ₹ 400.59 crore in the previous year. The Company has reported a post-tax profit of ₹ 214.19 crore in 2020-21, compared to ₹ 86.59 crore in FY2019-20, an increase of 147%. In view of this and despite the anxieties created by the novel coronavirus, the Board declared an interim dividend of ₹ 0.50/- per equity share worth ₹ 1/- (fully paid up) for the financial year 2020-21 and the Company proposes a final dividend of ₹ 1.50/- per equity share worth ₹ 1/- (fully paid-up) for the financial year 2020-21.

The Company grew its market share on the bedrock of sustained innovation, improved service to its customers and channels, focused improvement around operational efficiency, channel optimisation, higher realisation driven by product mix and premiumisation among others. Using a clearly structured brand architecture, the products continue to stand out in the market and gain trust of customers.

As a result of the improved profitability and cash flows, your Company prioritised the reduction in its debt at an expedited rate, way ahead of its debt-servicing obligations. As a result, your Company's balance sheet now reflects its robust financial health, which has created a good platform to address the investments in capacity expansion which will become necessary as the market demand picks up in the coming years. Subsequent to the close of the year, your Company has received the environmental clearance from the Ministry of Environment, Forests and Climate Change for the expansion of its clinker and cement capacity at its Devapur establishment.

Key financial ratios

Particulars	31 st March, 2021	31 st March, 2020	Improvement (%)
Earnings Per Share (₹)	10.45	4.23	147%
Return on Net Worth	16.32%	7.57%	116%
Debt Equity Ratio	0.61	1.10	(45%)
Interest Coverage	6.51	3.62	80%

Particulars	31 st March, 2021	31 st March, 2020	Improvement (%)
Operating Profit Margin	24.48%	16.54%	48%
Net Profit Margin	9.17%	3.49%	163%
Debtors' Turnover	21.09	14.97	41%
Inventory Turnover	13.63	10.24	33%
Current Ratio	1.00	1.00	-

- Return on net worth improved due to increase of current year profit and higher dividend distribution.
- Debt equity ratio and interest coverage ratio improved on account of debt reduction through improved cash flows and improved EBITDA.
- Operating profit margin and net profit margin improved due to better sales realisations, effective cost control measures, both for fixed and variable costs, and reduction in debt service, as compared to last year.
- The improvement in debtors' turnover ratio is attributable to shorter credit period, improved collections and reduction in receivables.
- Inventory turnover ratio improved on account of reduction in inventories particularly fuel and finished goods.

Operations

The challenges of the year 2020 cannot be underplayed as revenues dried up due to lockdowns and deferral of projects. Curtailing costs and optimising expenses without impacting asset integrity therefore became critical during the year. The Company took significant steps to develop and strictly implement SOPs to ensure business continuity. It successfully operated its facilities with skeletal staff upon resumption to reduce exposure. Despite the challenges, the Company progressed on both fuel and raw material flexibility enlarging its portfolio and capability of using low-cost fuels and alternative raw materials in its process.

In an environment where cash conservation and cost containment were paramount, its well-established practices of condition-based maintenance and replacement helped identify and eliminate non-essential expenditure. Several small initiatives were undertaken to optimise power and energy costs at both Devapur and Chittapur cement plants. Our dedicated captive power plants also implemented various energy saving initiatives that reduced auxiliary power consumption.

Post COVID-19 lockdown, stringent protocols have been established across the operations and offices. Various SOPs were prepared and shared with all team members. Touchless sanitisation systems were provided to ensure safety of team members. Awareness of SOPs were created through aggressive communication in multiple languages across plants and offices. In addition, some of the other measures included monitoring of temperature and oxygen levels of team members, daily sanitisation of workplace, offices, trucks and other vehicles, staggered timings for entry and exit and restricted

entries of visitors/ associates/vendors etc. The compulsory usage of mask and maintaining social distancing has become the new normal.

Sales and Distribution

Standing true to its core value, the Company's main priority has and continues to be the health, safety and well-being of its people and the eco-system within which it operates. During lockdown, the sales team maintained a proactive engagement with dealers and retailers and continued to provide virtual health assistance, where possible. Post relaxation in the lockdown norms and gradual re-opening of the economy, the teams commenced physical visits in a controlled manner following the Covid-19 safety protocols. A business that is primarily driven by on-ground personnel, the Company's sales team has redefined 'customer connect' using a mix of virtual tools and physical meets to reach out and drive top line growth.

The Company aligned its team efforts to the new normal and worked towards quality sales, making important changes in its way of doing business. Initiatives like virtual reviews, digitisation of processes, and implementation of stringent credit norms were introduced. To further mitigate credit risks, it has made efforts to securitise its B2B open exposures. Cost control measures were adopted by rationalising the portfolio of offices and godowns and renegotiating rental contracts of the same. The Company maintained its market share and price positioning across its served markets despite competitive pressure. As a result, sales volume of 50.48 lac tons was achieved during the year vs 57.97 lac tons in FY 2019-20 (-12.9%). The industry de-growth in our relevant markets was higher compared to the pan-India degrowth.

In view of the lower demand in the core markets, the Company expanded its footprint to new markets of Vadodra in Gujarat, Indore in Madhya Pradesh and North and Central Kerala. In the existing markets, the Company focused on further strengthening the rural distribution channels which helped in expanding its reach to hitherto unserved Taluka/Mandals and villages. Inventory levels across the Company's primary markets were also managed effectively, despite regulatory restrictions, through meticulous planning and effective coordination with the logistics team.

At present the Company serves its customers, present across markets, through nearly 300 strong sales, marketing and technical support professionals and a robust distribution network comprising 2,200+ dealers and 1,400+ retailers.

Several innovative measures have been implemented towards strengthening the relationships with the channel partners. To manage dealer grievances, the Company has standard operating procedures for addressing grievances raised by its channel partners in a fair and timely manner. It also has a whistle-blower policy which is well defined and communicated across its offices / godowns. Aligning to the digital model, the team handled more than 120,000 support calls daily with channel partners.

Branding and Marketing

Brand recall plays a critical role in the cement industry. The Company has increased its digital presence in the year gone by,

with an overarching focus on digital media. There was a reduction of 41% in spend for branding and marketing as compared to the previous year. Few activities like mass media (TVC campaign), consumer in-sighting and digital campaigns were re-prioritised.

Major highlights of FY2020-21:

- **Brand awareness:** It executed awareness campaign for its premium product, Birla.A1 StrongCrete on popular OTT platforms like Hotstar, Zee5, SonyLiv and SunNxt, an initiative taken for the first time. These were also supported by popular video viewing platforms like YouTube and news apps like DailyHunt. The promise of '**The Forever Cement**' campaign was introduced digitally across its core markets with high engagement levels on digital channels. The campaign crossed 17 million impressions and 10 million views.
- **Engagement:** The Company conducted multiple engagement sessions with Channel partners on digital platforms with specific campaigns to engage with them on social media (#StrongerTomorrow).
- **Traffic and followership:** As a result of several digital campaigns, the traffic on websites substantially increased, generating around 3 lakh impressions in the fiscal year.
- **Enquiry generation:** The Company saw a two-fold increase in enquiries generated through the digital medium.
- **Corporate brand building:** To strengthen its corporate brand, 'We Care' video campaign was launched covering initiatives undertaken by Team Orient to support communities during the lockdown. The Great Place to Work (GPTW) certification was also aptly communicated through social media and corporate website.
- As a part of branding at events, it extended support to one of the popular rural events – Dharmapuri Brahmotsava at Sri Laxminarasimhaswami temple, Jagtial. It installed welcome gates, banners and pole kiosks along the temple route, with COVID-19 precautionary messaging.
- Phase III "UNNATI and PRAGATI" engagement programs were implemented across the region and it ensured enrolment of 12K+ Influencers in Orient fold, thereby increasing product recommendation and usage.

Product branding

Our Products are listed as below:

1. Birla.A1 StrongCrete
2. Birla.A1 Premium Cement (PPC)
3. Birla.A1 Premium Cement 53 Grade (OPC)
4. Birla.A1 Premium Cement 43 Grade (OPC)

Birla.A1 StrongCrete

Birla.A1 StrongCrete is fast emerging as the best cement for construction, based on the core properties and benefits of this

premium product. These include extra fineness, particle size distribution and the admixtures that goes into it.

Birla.A1 Premium Cement (PPC)

Birla.A1 Premium Cement is among the best-known brands in south and west India. As a flagship brand in the PPC category, Birla.A1 Premium Cement is an inter-grinding of Portland cement clinker, gypsum and very fine-grained highly reactive fly ash.

Post a detailed technical evaluation, Birla.A1 Premium Cement (PPC) was awarded the prestigious GreenPro certification by the CII-Green Products and Services Council (GPSC).

Birla.A1 Premium Cement OPC 53 Grade

One of the pioneers of 53-Grade Cement in India, the launch of Orient Gold 53-Grade Cement in 1992 considerably improved the Company's product portfolio. The brand has since been integrated under the umbrella brand and rechristened as Birla A1 Premium Cement – OPC 53 Grade.

Birla.A1 Premium Cement OPC 43 Grade

Originally named Orient 43 Grade Cement, it was amongst the earliest successes of Orient Cement, paving the way for the others to follow. The brand has since been integrated under the umbrella brand and rechristened as Birla A1 Premium Cement – OPC 43 Grade.

Logistics

The transport and delivery of cement forms a large part of the supply chain of cement industry. At Orient Cement, the Company prioritises strategies to offer the best service to its customers as well as optimise the logistics costs across its area of operations. In a year hit hard by the pandemic, the Company made efforts to educate drivers, supervisors and transport operators on covid safety protocols. Prioritising safety of people remained a key objective to ensure seamless movement of raw material and finished goods.

The year has seen a significant increase in diesel prices (26%) impacting road freight costs to rise. At the same time, railways provided competitive cost and operational flexibility, ensuring faster and cost-effective movement of goods. The Company optimised its depot network to channelise the movement of goods through the rail network. Despite the rising road freight cost, negotiations were undertaken with transporters to limit increases through return loads and increase direct dispatches. The Company also adopted open standard trucks and LCVs to service retail customers in smaller lot sizes to markets in close proximity to plants.

A digital portal was introduced with predefined business rules that further helped in improving order execution and minimise manual interventions. The supply chain is now linked to SAP, backed by GPS tracking for outbound truck dispatches to validate routes and deliveries.

Procurement

To ensure uninterrupted availability of limestone over the long-term, the Company uses 100% limestone from the captive mines, located near its manufacturing plants.

Coal and pet coke are primary fuels used for clinker production in kilns and electricity generation in power plants. Fuels contribute a major share of the cost of production for cement. During the COVID-19 pandemic, mainly in H1-FY 2020-21, international coal and petcoke prices witnessed a sharp drop due to future consumption uncertainty. However, the prices started increasing during H2-FY 2020-21 due to substantially reduced availability.

The Company strategically benefitted by locking in petcoke at favourable prices in H1, while optimising raw material and fuel mix by switching to cheaper coal from both domestic and international sources. The Company's global sourcing strategy helped secure international coal at attractive prices and increased availability of domestic coal through e-auctions. Fuel flexibility capability and execution has been at the heart of the Company's strategic cost management. During the year, induction of more alternate fuels (AFR) in our fuel mix, successfully integrating multiple blends of domestic and imported fuels have kept energy costs in check. Availability of dry fly ash was significantly reduced during the pandemic due to lower power demand and Plant Load Factor (PLF) at the thermal power plants. The Company met this challenge by developing alternate fly ash sources. The Company is also investing in infrastructure to handle future fly-ash supply through rail.

Before awarding critical contracts, the team conducts physical audits of the manufacturing/production location to understand and assess on-ground realities and risks associated with the contract. Deep dive analysis is done before on-boarding any new vendor/supplier. Only authorized vendors (including dealers, distributors and traders) are allowed after a comprehensive 360 degree review. Vendor ratings for all inducted vendors are also monitored regularly to analyse performance. The Company strictly adheres to the payment terms including payments to all MSME vendors.

Sustainability

Environment: As a responsible entity, the Company aims to ensure sustainable development across its operations. It, therefore, aims to adopt environment-friendly policies and promote community development initiatives to support the local communities. The cement manufacturing process necessitates high energy consumption from non-renewable sources of energy. This makes it imperative for the Company to focus on innovative solutions to preserve the environment and promote ecological balance.

The Company continuously strives to conserve natural resources and facilitate efficient waste management procedures. Orient Cement is a member of the Global Cement and Concrete Association that aims to implement low carbon initiatives in the cement industry across the globe. It maintains strict waste disposal policies for self-generated wastes through government authorized agencies, wherever necessary. All its Management systems are upgraded to comply with latest standards and certified EMS ISO 14001:2015, QMS ISO 9001:2015, OHSMS ISO 45001:2018, Energy ISO 50001:2018 and Facility Management ISO 41001:2018.

The Company has also made its operations water positive through continuous efforts towards measuring, monitoring and preserving water. Installation of rain harvesting systems has also improved the water table levels in nearby areas.

Specific CO2 KgCo2/Ton Cement

	Gross	Net
2018-19	578	572
2019-20	600	593
2020-21	579	574

Health and Safety: The Company is committed to 'Zero' harm policy at its workplaces, ensuring safety for all. To create awareness and learning from incidents across industry, a new activity - KLL - Key Lessons to Learn was initiated to analyse and plan for additional measures to mitigate such incidents.

The Company has conducted various learning and on-the-job training for workmen, covering road safety awareness and behaviour-based safety training. Due to strict compliance of Standard Operating Procedures (SOPs) and Standard Maintenance Procedures (SMPs) as well as awareness training on Monthly Safety Themes, there were zero fatalities in the last three years, across all plants.

ZERO

Fatalities in last three years

Human Resources

The role of Human Resource Management, as a function, has evolved over the year as the Company faced significant challenges during the year under review. The transition from physical offices to work-from home, to digital communications and meeting platforms, to virtual training programs to virtual on-boarding of new talent and the exponentially increased need to extend healthcare, emotional and financial support to its people required a deeply engaged team who could help the team-members to cope with the unprecedented hardships faced by them. All these developments have now become the norm. The challenges the 'new normal' posed in the area of sustaining employee engagement, supporting organisational morale, etc. have pushed us to modify our HR practices and processes dramatically. Towards sustaining our organisational development activities, various development programs were introduced to train team members and bridge competency gaps, wherever required.

The Company's employee strength stood at 1,204 as on March 31, 2021.

Some important training and development initiatives undertaken by the Company during the year are elucidated below:

1. **Cross Functional Projects** - The members collaborated and synergised in cross functional teams through projects aimed at being future-ready in a redefined workplace. Some of the projects like E-Medhas, Prayas, technical Utkrishtata, Great Manager Institute and Udemy e-learning programs helped

achieve cost savings, improve productivity, enhance processes and strengthen our sustainability resolve.

2. **Individualized E-Learning course linked to IDP** –The IDPs (Individual Development Plans) were prepared as a part of the Talent Management process. Each of these IDPs were studied and e-learning platforms from various resources including CII, NCBM, EY, Deloitte, BYLD, Mercuri, FLS, ABB, etc. were identified and leveraged for supporting the knowledge and skill development, suited for the concerned individuals.
3. **E-Mind Spark** – The initiative started at the Company's corporate office was later transformed into a virtual learning /experience sharing program on its internal Workplace @Facebook platform. So far, the Company has completed 53 sessions.
4. **Series of Online Training on various IT Tools and SAP** –Virtual sessions were conducted by our IT and SAP teams for all team members. The focus was on training people about the use of various platforms and IT Tools required for Work From Home, on platforms such as ZOOM, Teams, MS Office, etc.

Initiatives for promoting gender diversity and safety of women:

Diversity and Inclusion Policy –The Company endeavours to achieve 20% gender diversity at senior management (i.e. its impact band levels) by 2023 (currently standing at 15%). Accordingly, a detailed diversity and inclusion policy has been developed listing out the roadmap to achieve the same. As on March 31, 2021, the number of female employees in the Company were 43.

POSH (Prevention of Sexual Harassment) – The policy aims at providing a safe work environment. The Company has a fully compliant and empowered mechanism including the mandated internal committee at corporate and plant locations to address any issues, with regular awareness sessions and orientation for new joiners.

Virtual sessions for women team members – During the pandemic, the Company initiated various virtual learning sessions with an objective to keep women employees engaged and to help them develop various skill sets.

Combating Covid-19

Taking into consideration the emergency situation created by the pandemic, the health of team members and their families became the top priority for the Company. As soon as the lockdown was imposed, teams were quick to form and adopt 'Work from Home' policies and detailed guidelines about safety protocols were shared with them. The Company conducted online Health Talks / Webinars on COVID precautions and partnered with YOURDOST to facilitate the mental and emotional well-being of its people. In-house Quarantine Work Centre was also established for team members who wanted to resume work from office and were not able to continue working from home.

Risk Management

Orient Cement Limited is a growing company operating in an increasingly volatile and challenging business environment. The Company's ability to create and sustain value for its stakeholders is dependent on identifying, monitoring, and effectively addressing key risks within the environment that it operates.

The Company has a Risk Management Policy which has been approved by the Board. The policy lists out objectives and principles

of risk management along with an overview of the risk management process, procedures and related roles and responsibilities of individuals forming part of the committee. The Board of Directors has delegated the task of overseeing the deployment of the Risk Management Framework to the Risk Management Committee. These Committees are responsible for the overall direction-setting and reviewing implementation of the Risk Management Framework.



Below is a diagrammatic representation of the Risk Management Framework.



The Governance Risk and Compliance Committee (GRCC) comprises of Executive Management, who oversee the effective roll-out of the risk management programme. Risk identification, assessment, mitigation and monitoring is a continuous process where stakeholders across all functions work collaboratively to draw up a risk identification and mitigation roadmap.

Internal Audit (IA) function is entrusted with the responsibility to review and provide independent assurance on the effectiveness of defined risk mitigation strategies for certain areas. On a half-yearly basis, a formal report on 'Risks That Matter' is reviewed by the GRCC and submitted to the Risk Management Committee and Audit Committee for their review and subsequently reported to the Board.

Key risks identified, assessed, and mitigated during the year under review include:

 <p>Health and Safety risks</p>	<p>A Covid-19 Crisis Committee was set up as early as March 2020, comprising of senior management personnel. A detailed blueprint was framed to define safety measures, resumption of operations and workforce deployment SOPs aligned to guidelines issued by government and regulatory authorities. The Company also made strategic tie-ups with hospitals and local bodies, to deal with any infection outbreak within its workforce.</p> <p>All the COVID-19 guidelines and SOPs specified by the Crisis Committee are being followed at all locations of the Company. Further, dedicated teams have been set up to ensure compliance and take immediate corrective actions to address slippages, if any, and report the same to the Crisis Committee.</p>
 <p>Business continuity risk</p>	<p>The on-going pandemic threw up myriad challenges i.e., national and local lockdowns, labour demobilization, Covid hot spots, restricted inter-state movements, raw material and fly ash availability, etc. To ensure business continuity amidst these challenging times, the Company has formed a core leadership group that acts as a nerve centre to assess, plan and respond to evolving risks in an inclusive manner and with agility. In addition, department-level and plant-level operations continuity plan have also been drawn up with key responsibilities and controls defined for functional heads across processes.</p>



Cyber security risk

The unprecedented times have transformed the traditional workplace. Remote working and virtual connectivity have become the new normal. At the same time, the high reliance on remote connectivity and virtual networks have exposed many organizations to cyber security risks. The Company has taken appropriate measures with a sense of urgency to ensure data privacy is secured. The Company drew out a detailed surveillance program, carried out vulnerability assessments and upgraded its network security in line with international standards, Independent cyber security review comprising of Red Teaming and Penetration Testing including VAPT (Internal & External) was also undertaken. Gaps identified were closed expeditiously to ensure controls around infrastructure and network security continue to be adequate and effective.



Effectiveness of internal controls risks

The approved Delegation of Authority (DOA), policies and standard operating procedures (SOPs) drives the design, development and compliance of internal controls in the Company. Process reviews and quarterly self-assessments of Internal Financial Controls (IFC), including independent testing of controls by the auditors, provide further assurance on the effectiveness of the internal controls.



Compliance risks

All the compliance activities across multiple locations are monitored centrally on a quarterly basis. A central repository of all applicable compliances has been developed and refreshed regularly to ensure saliency and relevance at locations/functions and for the consolidated entity. Identified compliances have assigned responsibilities, assessed by respective owners and vetted by the compliance approvers. Covid-19 related new/ revised regulations (e.g., social distancing, control on workforce numbers allowed in a facility, evolving timelines for compliance) have been incorporated and currently tracked and reported to relevant Functional Heads.



Legal/contractual obligations risks

Post the onset of pandemic in the year under review, contractual obligations entered by the Company were weighed up against business continuity risks to understand possible impact on ongoing operations. The Company carried out impact assessment for all contracts with take or pay obligations and/or guaranteed commitments, Force Majeure notices wherever appropriate while supporting long term business relationships and contract workforce. The Company also took the opportunity to re-negotiate contracts to reduce/remove guaranteed commitments towards flexibility and safeguard against future volatility.



Liquidity risks

Maintaining sufficient liquidity at a time of high volatility and uncertainty is critical for business continuity. At the onset of the lockdown, the Company took immediate measures to collect its receivables and liquidate stocks. A cross functional team was instituted to focus on cash generation and conservation. Every effort was made to control and defer discretionary spends including the planned expansion capex. Concurrently, careful management of credit terms and credit risks obviated cash flow risks. Despite the high liquidity pressures, the Company embarked on a policy of progressive debt reduction and significantly reduced its financial leverage and more specifically its debt service obligations over the coming two years.

Currently, there are no risks identified by the Board which may threaten the existence of the Company.

Corporate Social Responsibility

During the year under review, the Company spent ₹ 1019.20 lacs (including ₹ 193.67 lacs towards rehabilitation and resettlement obligations of Chittapur) on community development projects. The Company has undertaken several projects for community development around the Company's manufacturing locations, focusing mainly on education, healthcare, sustainable livelihood, social empowerment and infrastructure development.

1. Promoting education

The Company has been running a school in Devapur, offering primary and secondary education to more than 1500 students, to promote education in this remote and backward area. The school conducts classes in English and Telugu. During the Covid-19 pandemic, classes were conducted online to ensure continuity of education. More recently, in Chittapur, the Company has established an English medium, CBSE School with facilities for conducting classes till 7th Standard. Around 290 students are enrolled at the school.

To help teachers adopt new and innovative teaching techniques, the Company has undertaken the following initiatives:

1. **Teachers' training:** Organized training programs for school teachers for Mathematics, through external faculty.
2. **Support to Government schools:** Desktop computers and printers were donated to the government school in ZPH school, Devapur.

2. Promoting preventive health care

To fight the Covid-19 pandemic, health advisories with specialized doctors were regularly organized to benefit team members, their families, people from the vicinity / society. Along with community awareness programs, the Company also contributed to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) and District Collector-Mancherial Relief Fund COVID-19. The Company, in association with the State/District Governments and Red Cross Association conducted various activities around its three plants in Jalgaon, Chittapur and Devapur, to distribute cooked food packets, PPE kits, masks, sanitisers, etc. to villagers and migrant labourers in the vicinity.

The Company has five full time doctors (including three lady doctors) at their dispensaries in Devapur and Chittapur plant along with experienced nursing staff to treat people from nearby villages.

3. Empowering women

The Company conducted programs focused on women empowerment in villages around its Chittapur Plant. The following initiatives were undertaken:

- (1) Computer education for girls in high school and colleges. Around 69 girls were benefitted from this initiative.
- (2) Formed Self Help Groups (SHG) to train and support members in maintaining books of accounts and understand the concept of SHG.
- (3) Functional literacy programs for women to teach alphabets and numbers.
- (4) Sustainable livelihood development opportunities for women through fashion designing and tailoring facilities. This will make women independent and reduce their dependence on others, enabling them to support their families as well.
- (5) Offering training for gardening and maintenance to women labourers employed by the Company's contractors.

4. Promoting rural development projects

Several rural development projects have been arranged by the Company. The solar light assembling program encouraged the youth from Chittapur village to learn techniques for assembling solar light panels to increase dependence on renewable energy.

Besides, to promote education in rural areas, financial aid was offered to meritorious students of Standards 7, 8 and 10, of government schools. Chairs, tables, utensils, mind games, toys, etc. were also distributed to 16 Anganwadi schools and children in 5 villages of Chittapur taluka.

5. Eradicating hunger, poverty and malnutrition

To eradicate poverty and malnutrition in the tribal community in and around Devapur plant, the Company donated to the Vanavasi Kalyan Parishad. Similar initiative for reducing malnutrition in children is also taken up at Chittapur, for Shishu Ahar. During the lockdown, grocery and food was also distributed to the needy and a large number of people benefitted from this initiative.

6. Promoting sanitation

Swachhata Abhiyan: To create community awareness about the importance of cleanliness, the Company organized programs on personal hygiene and sanitation for girls in Gurukul tribal school in Devapur and at government schools in Chittapur. This is an ongoing initiative that is carried out every year to drive the Swachhata Abhiyan. To promote hygienic practices, the Company also maintains a Sulabh complex.

Internal Control Systems and Their Adequacy

The Company has implemented necessary internal control systems in line with the business requirements, scale of operations and applicable statutes.

This **Internal Controls Framework** has been designed to meet the Company's objectives of efficiency and effectiveness of operations, reliability of financial controls, accuracy and timely reporting, and compliance of regulatory requirements, statutes, Policies and SOPs.

The Company's **control environment** demonstrates a commitment to integrity and ethical values. The Board of Directors and the Audit Committee demonstrate independence from the Management and exercise oversight on the Company's Internal Controls adequacy and effectiveness. The Company and its Management has established a well-defined organization structure, Delegation of Authority (DOA) and reporting lines with appropriate authorities, responsibilities, and accountabilities in the pursuit of objectives.

The Company's comprehensive fraud risk framework helped prevent, detect, and respond to fraudulent activities, ensuring effective business-driven fraud risk management. The Company seeks to build strong processes and controls, integrating prevention, detection, and response. To add to this, the Company's whistle-blower policy investigates allegations of violations in a comprehensive manner. Appropriate recommendations are followed up for rigorous implementation.

The Company specifies objectives with sufficient clarity to enable **identification and assessment of risks** relating to the objectives. Key high-level risks and mitigation plans are reviewed on a half-yearly basis. As the pandemic broke out in the beginning of this

financial year, all risks and risk ratings have been re-assessed considering the COVID challenges, and accordingly the revised mitigation action plans were finalized and reported. Key risks included Health and Safety; Business Continuity Plans (including Core Committee to monitor Covid risks, Department level BCP, digitization of documents), Cyber Security etc.

The Company has put in place the **control activities** that contribute to the mitigation of identified risks, to the achievement of objectives to acceptable levels and deployed such controls through Policies, SOPs and IFC Risk and Control matrices that cover all business processes across locations and functions.

When the pandemic struck, a core leadership team was formed as a nerve centre to assess, plan, monitor response to the Covid situation at Company level. Detailed SOPs with controls around Health and Safety checks, review mechanism and escalation/ reporting matrix were prepared and implemented at all plants, offices, sales offices and warehouses. Other controls including e Business Continuity planning (e-BCP) for every department, contingency plans for key personnel who execute key business activities and controls to minimize interruptions at work were developed and implemented. Scenario planning to mitigate liquidity risks were instituted whereby cash conservation through aggressive collections from customers and deferral of discretionary spends were put in place. It ensured that critical maintenance protocols and asset integrity was not compromised.

Most transactions follow a workflow system including approvals for contracts, purchases etc., which is well embedded in the way the Company operates. Banking transactions are also operated on-line. Periodic review of access rights to systems and segregation of duties for key roles is in place. Thus, the challenges of remote working and risks emanating from a manually intensive operating environment are addressed.

To further strengthen processes, the Company has taken up digitization initiatives such as Sales Force Automation for interactions between sales team and customers, digitizing the transaction flow around electronic proof of delivery, invoice upload to customer portal and automating invoice matching.

The Company's **risk-based audit approach** focuses on areas of high risk, importance, and value to the organization. The Company has continued with KPMG as the Internal Audit partner for the second year. It also has an in-house Internal Audit department manned by qualified professionals to conduct, coordinate and monitor audit activities, and also follow-up on compliance and specific actions identified. Internal audit scope for FY 2020-21 included implementation review of additional controls in Health and Safety

due to Covid-19 risks, contracts review (considering minimum commitments, force majeure etc.) and audits of regular transactions with higher frequency during lockdown. CCM (continuous control monitoring) introduced last year continued to gain focus this year wherein data analytics is targeted towards detecting exceptions within identified areas.

Cyber security review was also carried out by an expert third party to check vulnerabilities in network and systems, and recommendations have been implemented.

The Company's **Internal Financial Controls (IFC)** framework and quarterly IFC assessments are carried out using the Controls Self-Assessment Tool, along with external assessments by audit partners. The quarterly self-assessments were successfully completed during these challenging times. No challenges have been reported in undertaking the said controls. Latest practices are updated in the control documents and timely change in responsibilities/ back-up persons in execution of controls is undertaken.

Looking ahead, the Company will leverage data analytics and automation in audit procedures, while enlarging its scope incorporating in other areas. The Company will increase stakeholder awareness of governance, risk and compliance through training, workshops and culture-building.

Cautionary Statement

The statements made in this section describe the Company's objectives, projections, expectations and estimations which may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised by the Company. Actual result could differ materially from those expressed in the statement or implied due to the influence of external factors which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events.

By order of the Board of Directors
For Orient Cement Limited

CK. Birla
Chairman
(DIN 00118473)

Place: London
Date: May 17, 2021

Corporate Governance Report

COMPANY'S GOVERNANCE PHILOSOPHY

The Board and Management team of Orient Cement Limited attach utmost importance to the principles of corporate governance and ensure that the highest standards of corporate governance are established and maintained in the Company on an ongoing basis to safeguard the interests of all stakeholders at all times.

The Company is committed to adhering to corporate governance practices that are best in class in order to ensure and sustain business fundamentals and deliver optimum performance under all circumstances.

The robust corporate governance framework that has been put in place enables Orient Cement to be managed effectively and ensures the integrity, transparency and fairness of all processes and practices aimed at creating and enhancing value for all stakeholders in a balanced and fair manner.

All corporate governance initiatives undertaken by the Company adhere to the sound principles of integrity, transparency, professionalism, trusteeship, accountability and corporate responsibility through relentless focus on these core principles:

- (a) **Transparency:** By classifying and explaining the Company's policies and actions to all those that are concerned, including its employees, the Company aims at maximum possible level of disclosures without hampering the interests of the Company and its shareholders. The Company believes in promotion of ethical values and behavior and setting exemplary standards in our conduct towards our business partners, colleagues, shareholders and the general public;
- (b) **Accountability:** The Company ensures that there is absolutely no compromise in the areas of accountability and responsibility even as it pursues growth;
- (c) **Professionalism:** The Company ensures that management teams across all levels are professionally qualified who have a clear understanding of their roles and are capable of exercising sound judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressure;
- (d) **Trusteeship:** The Board considers itself a Trustee of the Company's shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth. The Company constantly emphasizes the fiduciary role of the management to align and direct all actions of the organization towards creating lasting shareholder value;

(e) **Corporate Responsibility:** The Company includes sustainable development - environmental and social - as a key strategic objective which is enshrined in its core vision - 'Build Sustainably to be a Valued Partner in Progress';

(f) **Integrity:** Besides enforcing a demanding code of conduct for the employees, vendors and Board, the Company ensures the independent verification and truthful presentation of the Company's financial position and performance. For this purpose, the Company has constituted an Audit Committee which pays particular attention to the financial management and reporting process. A robust whistle-blower mechanism is also in force under the direct supervision of the Board.

This Report has been prepared in accordance with the requirements laid down under the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and with a view to meticulously attain the highest standards of governance.

BOARD OF DIRECTORS

Composition

The Board of Directors ("the Board") plays a fundamental role in upholding and nurturing the principles of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its members and other stakeholders and the utilization of resources for creating sustainable growth and societal wealth. The Board operates within the framework of a well-defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company and all its stakeholders in a fair and transparent manner.

The Board of Directors is at the core of the Company's Corporate Governance practices and oversees how management serves and protects the interests of its stakeholders at all times. It brings in strategic guidance, leadership and an independent view to the Company's Management while discharging its fiduciary responsibilities, thereby, ensuring that Management adheres to highest standards of integrity, transparency and fairness.

The Company's policy towards the composition of the Board is to have appropriate professionalism, diversity, knowledge and experience in areas critical to the organization. This helps to drive value-based guidance whilst maintaining the independence of the Board and to separate its functions of Governance and Management.

The Company has a balanced Board with a combination of Executive and Non-Executive Directors to ensure independent functioning and the current composition of the Board is in conformity with Regulation 17(1) of SEBI Listing Regulations.

As on March 31, 2021, the Board consists of 9 (nine) Members, of whom 1 (one) is an Executive Director, i.e., Managing Director & CEO and 8 (eight) members are Non-Executive Directors. Amongst the 8 (eight) Non-Executive Directors, 6 (six) are Independent Directors including 1 (one) Woman Independent Director.

The size and composition of the Board conforms to the requirements of Regulation 17 of the SEBI Listing Regulations and the Companies Act, 2013. Other details relating to the directors as on March 31, 2021 are as follows:

Name of the Director	Position held in the Company	Directorship in Companies@ (including Orient Cement)	Committee Membership in listed and unlisted Companies# (including Orient Cement)	Committee Chairmanship in listed and unlisted Companies# (including Orient Cement)
Mr. Chandrakant Birla (DIN 00118473)	Chairman, Non-Executive	8	-	-
Mr. Desh Deepak Khetrpal (DIN 02362633)	Managing Director & CEO-Executive	3	4	-
Mrs. Amita Birla (DIN 00837718)	Non-Executive	4	1	-
Mr. Rajeev Jhawar (DIN 00086164)	Non-Executive-Independent	3	4	-
Mr. Rabindranath Jhunjhunwala (DIN 00050729)	Non-Executive-Independent	3	2	-
Mr. Janat Shah (DIN 01625535)	Non-Executive-Independent	3	3	-
Mr. Swapan Dasgupta (DIN 07113693)	Non-Executive-Independent	1	2	-
Mr. I.Y.R. Krishna Rao (DIN 00481367)	Non-Executive-Independent	2	2	2
Mrs. Varsha Vasant Purandare (DIN 05288076)	Non-Executive-Independent	8	7	2

@ Excluding private limited companies, foreign companies, and companies formed under section 8 of the Act.

Represents membership/chairmanship of Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies-listed and unlisted (other than foreign companies, private limited companies, companies formed under section 8 of the Act).

Details of directorship of Directors of the Company as on March 31, 2021 in other listed entities:

Name of the Director	Name of other listed entities in which Directors of the Company are Directors:	Category of Directorship
Mr. Chandrakant Birla	1. Orient Paper & Industries Limited 2. HIL Limited 3. Orient Electric Limited 4. Birlasoft Limited	Non-executive -Chairman Non-executive -Chairman Non-executive -Chairman Non- Executive-Co-Chairman
Mr. Desh Deepak Khetrpal	1. HIL Limited 2. Orient Electric Limited	Non-Executive Non-Executive – Vice Chairman
Mrs. Amita Birla	1. Birlasoft Limited	Non-Executive-Chairperson
Mr. Rajeev Jhawar	1. Usha Martin Limited	Executive
Mr. Rabindranath Jhunjhunwala	1. TCPL Packaging Limited	Independent
Mr. Janat Shah	1. Future Supply Chain Solutions Limited	Independent
Mrs. Varsha Vasant Purandare	1. Shaily Engineering Plastics Limited 2. The Federal Bank Limited 3. Deepak Fertilisers and Petrochemicals Corporation Limited	Independent Director Additional Director (Independent) Additional Director (Independent)
Mr. Swapan Dasgupta	NIL	--
Mr. I.Y.R. Krishna Rao	NIL	--

None of the Directors on the Board of the Company is a Director in more than eight listed companies and is a member of more than ten committees and/or acts as a chairman/chairperson of more than five committees across all the listed companies in which he/she is a Director.

Further, no Independent Director serves in more than seven listed companies and no person who is serving as a Whole-time Director in a listed company is serving as an Independent Director in more than three listed companies.

Except Mrs. Amita Birla, a Non-Executive Director of the Company, who is the spouse of Mr. Chandrakant Birla, Chairman of the Company, no other director is related to another director.

A certificate from Balika Sharma & Associates (Membership No. 4816/Firm Registration No. 3222), practicing Company Secretary, to the effect that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority is attached at the end of this report.

Further in the opinion of the Board, the Independent Directors fulfil the conditions specified in these SEBI Listing Regulations and are independent of the management.

Skills / Expertise / Competencies of Board of Directors:

The Company's Board members are from diverse backgrounds with skills and experience that provides adequate guidance and support to the complex and dynamic business environment in which the Company operates. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory, as well as business requirements. In terms of requirement of SEBI Listing Regulations, the Board has identified the following expertise and competencies required for the business of the Company to function effectively:

1. **Leadership:** The Board as a whole encompasses visionary leadership with an ability to steer the goals and objectives of the Company through its effective management, delegation, communication and negotiation skills based on its in-depth knowledge of markets and changing business environments.
2. **Management and operation of Industrial Enterprises:** The members of the Board conduct the management and operation of the business with efficacy based on their ability of understanding the multifaceted business operations.
3. **Knowledge on various laws for compliances oversight:** The Board brings to the table their in-depth knowledge regarding various laws that aids in effective planning and forecasting of the Company's various policies and programs.
4. **Expertise in Operations and Strategic planning:** The Board possesses a deeper understanding of the continuously changing business environment and has the expertise to strategically plan the future course of Company's operations.

5. **Analytical skills:** The Board possesses the analytical skills to solve complex matters.

6. **Experience in administration, economics and financial matters:** The Board brings with it its experience in administration, economics and financial matters that helps in effective decision making.

All the Members of the Board of the Company bring in high quality expertise and possess all requisite skill sets and competencies as mentioned above, for efficient conduct of board proceedings and provide guidance to the Company. A separate section on 'Our Board of Directors' forming part of this Annual Report provides details of the expertise held by each Director of the Company.

Appointment or re-appointment of Directors

Every appointment/re-appointment made by the Board is recommended by the Nomination & Remuneration cum Compensation Committee after considering various factors such as qualifications, positive attributes, area of expertise and other criteria as laid down in the "Nomination & Remuneration Policy". The same is further taken for shareholders' approval, as and when required, under the provisions of the applicable laws.

As per the provisions of the Act, Mr. Chandrakant Birla is liable to retire by rotation at the ensuing Annual General Meeting. The Board has recommended the re-appointment of Mr. Chandrakant Birla as a director liable to retire by rotation in the Notice of ensuing Annual General Meeting.

Mr. I.Y.R. Krishna Rao was appointed as Independent Director of the Company with effect from May 5, 2017 and in terms of the provisions of section 149(10) of the Companies Act, 2013, his first term of five consecutive years is expiring on May 4, 2022. In terms of the provisions of section 149(10), Mr. I.Y.R. Krishna Rao is eligible for re-appointment as Independent Director for another term of five years by passing special resolution in this regard. The Board has recommended the resolution for re-appointment of Mr. I.Y.R. Krishna Rao, as Independent Director not liable to retire by rotation in the Notice of ensuing Annual General Meeting.

A brief profile and other details relating to the Directors are furnished in the Annual Report.

None of the Directors are disqualified under section 164(2) of the Companies Act, 2013.

Board Functioning and Procedure

The Board of Directors is the apex body constituted by the members for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic directions of the Company, Management's policies and their effectiveness and ensures that the long-term interests of the shareholders are being served.

The Board meets at least once in a quarter to review the performance of the Company and approves, inter alia, the financial results. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed

by circulation. The Board oversees the process of disclosure and communication. Independent Directors are regularly updated on the performance of the Company, business strategy and new initiatives being taken/ proposed to be taken by the Company. The Board meetings of the Company are governed by a structured agenda. The Board meetings are generally held at the corporate office of the Company at Delhi. The Company Secretary in consultation with the Managing Director & CEO and Chief Financial Officer finalizes the agenda of the Board meetings. All major agenda items are backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board meeting(s) to enable the Board members to take informed decision. In case of exigencies/sensitive matters, the details are directly placed at the meeting, with the permission of the Chair. Any Board member may, in consultation with the Chairman and with the consent of all Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board.

The Board periodically reviews the compliance status of all the laws applicable to the Company, as certified by the Chief Compliance Officer/ Company Secretary, as well as the steps undertaken to rectify instances of non-compliances, if any.

Information to the Board

The Company provides the following information to the Board through the agenda papers, presentations and discussions:

- Annual operating plans and budgets and any update thereof;
- Capital budgets and any updates thereof;
- Annual Accounts, Half-yearly and Quarterly results of the Company;
- Updates on all projects, formation of new special purposes vehicles and any new business being undertaken;
- Minutes of the meetings of the Audit Committee and other Committees of the Board;
- Information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of the Chief Financial Officer and the Company Secretary;
- Materially important show cause, demand, prosecution notices and penalty notices;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of a substantial nature, including any judgement or order which, may have passed strictures on the conduct of the

Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;

- Significant labour problems and their proposed solutions. Any significant development on the human resources/ industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme, etc.;
- Sale of investments, assets which are material in nature and not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders services such as non-payment of dividend, delay in share transfer, etc.;
- Declaration of dividend;
- General notices of interest of directors.

Meetings of Board and attendance during the year

During the financial year under review, 8 (eight) Board meetings were held. These were held on April 27, 2020, May 22, 2020, July 28, 2020, August 1, 2020, August 31, 2020, October 29, 2020, January 28, 2021 and March 17, 2021.

The following table gives the attendance record of the directors at the aforementioned Board Meetings and at the last Annual General Meeting, which was held on July 31, 2020.

Name of Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Chandrakant Birla	8	Yes
Mr. Desh Deepak Khetrapal	6	Yes
Mrs. Amita Birla	8	Yes
Mr. Rajeev Jhawar	8	No
Mr. Rabindranath Jhunjunwala	8	Yes
Mr. Janat Shah	8	Yes
Mr. Swapan Dasgupta	8	No
Mr. I.Y.R. Krishna Rao	8	Yes
Mrs. Varsha Vasant Purandare	8	Yes

COMMITTEES OF DIRECTORS

In terms of the SEBI Listing Regulations and the Act, the Board has constituted 5 (Five) Committees viz. Audit Committee, Nomination & Remuneration cum Compensation Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Keeping in view the requirements of the Act as well as the SEBI Listing Regulations, the Board decides

the terms of reference of these Committees. The recommendations, if any, of these Committees are submitted to the Board for approval.

Each of these Committees have the requisite expertise to handle issues relevant to their field. These Committees spend adequate time and give focused attention to the various issues placed before them. The guidance provided by these Committees provides immense value to and enhances the decision-making process of the Board. The Board reviews the functioning of these Committees from time to time.

(a) Audit Committee

Composition

As on March 31, 2021, Audit Committee comprised of the following members, namely:

- (i) Mr. I. Y. R. Krishna Rao
- (ii) Mr. Desh Deepak Khetrapal
- (iii) Mr. Rajeev Jhawar
- (iv) Mr. Rabindranath Jhunjhunwala
- (v) Mr. Janat Shah
- (vi) Mr. Swapan Dasgupta
- (vii) Mrs. Varsha Vasant Purandare

All members of the Committee are financially literate and have requisite accounting and financial management expertise. The Company Secretary acts as the Secretary of the Audit Committee.

Role and responsibility

Primarily, the Audit Committee is responsible for:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing the scope of the Statutory Auditors, the Annual Audit Plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Reviewing the significant audit findings from the Statutory and Internal audits carried out, the recommendations and management's response thereto.
- Reviewing and recommending to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approving the appointment, removal and terms of remuneration of the internal Auditors.
- Reviewing and approving the related party transactions and also granting omnibus approval for related party transactions that are in the ordinary course of business and are on arm's length basis.

- Approving such additional services to be rendered by the Statutory Auditors except those enumerated in section 144 of the Act and payment for such services.
- Recommending to the Board the remuneration of the Statutory Auditors/Cost Auditors.
- Discussing with the Statutory Auditors/ Internal Auditors any significant difficulties encountered during the course of the Audit.
- Reviewing annual Cost Audit Report submitted by the Cost Auditor.

Meetings of Audit Committee and attendance during the year

4 (Four) meetings of the Audit Committee were held during the financial year under review. These were held on May 22, 2020, July 28, 2020, October 29, 2020 and January 28, 2021.

The attendance of members of Audit Committee at the said meetings was as follows:

Name of the Member	Position	No. of meetings attended
Mr. I. Y. R. Krishna Rao	Chairman	4
Mr. Desh Deepak Khetrapal	Member	4
Mr. Rajeev Jhawar	Member	4
Mr. Rabindranath Jhunjhunwala	Member	4
Mr. Janat Shah	Member	4
Mr. Swapan Dasgupta	Member	4
Mrs. Varsha Vasant Purandare	Member	4

The Chairman of the Audit Committee, who is an Independent Director, was present at the Annual General Meeting of the Company held on July 31, 2020.

The Audit Committee meetings are also attended by the Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors, Group Internal Auditor and Head-Internal Audit of the Company. The representatives of the Statutory Auditors are permanent invitees to the meeting. They have attended all the meetings during the financial year. The Board has accepted all recommendations made by the Audit Committee.

(b) Nomination & Remuneration cum Compensation Committee

Composition

As on March 31, 2021, the Nomination & Remuneration cum Compensation Committee comprised of the following members:

- (i) Mr. Rabindranath Jhunjhunwala
- (ii) Mr. Chandrakant Birla
- (iii) Mr. Rajeev Jhawar
- (iv) Mr. Janat Shah

- (v) Mr. Swapan Dasgupta
- (vi) Mrs. Varsha Vasant Purandare

The Company Secretary of the Company acts as the Secretary to the Committee.

Role and responsibility

Primarily, the Nomination & Remuneration cum Compensation Committee is responsible for:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down,
- Recommending to the Board, appointment and removal of directors and senior management,
- Formulating the criteria for evaluation of Independent directors and the Board and carrying out evaluation of every director's performance,
- Formulating the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees,
- Devising a policy on Board diversity;
- Recommend to the Board, all remuneration, in whatever form, payable to senior management;
- To do such act as specifically prescribed by Board; and
- Carrying out functions, and is empowered to act, in terms of the Companies Act 2013, read with rules framed there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment or modification thereof.

Meetings of Nomination & Remuneration cum Compensation Committee and attendance during the year

5 (five) meetings of Nomination & Remuneration cum Compensation Committee were held during the financial year ended March 31, 2021. These were held on April 27, 2020, May 22, 2020, August 1, 2020, August 31, 2020, and October 29, 2020.

The attendance of members of Nomination & Remuneration cum Compensation Committee at the meeting was as follows:

Name of the Member	Position	No. of meetings attended
Mr. Rabindranath Jhunjhunwala	Chairman	5
Mr. Chandrakant Birla	Member	5
Mr. Rajeev Jhawar	Member	5
Mr. Janat Shah	Member	4
Mr. Swapan Dasgupta	Member	5
Mrs. Varsha Vasant Purandare	Member	5

(c) Stakeholders' Relationship Committee

The Company has constituted a Stakeholders' Relationship Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/ notices/ annual reports, etc.

Composition

As on March 31, 2021, the Stakeholders' Relationship Committee comprised of the following members, namely:

- (i) Mr. Desh Deepak Khetrpal
- (ii) Mr. Rajeev Jhawar
- (iii) Mr. Swapan Dasgupta
- (iv) Mrs. Varsha Vasant Purandare

The Company Secretary of the Company acts as the Secretary to the Committee.

Contact details of the Secretary:

Mrs. Nidhi Bisaria
Company Secretary
Birla Tower 3rd Floor,
25, Barakhamba Road,
New Delhi-110 001
Telephone: 011- 42092253
Email for investors: investors@orientcement.com

Role and responsibility

The Committee oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures for the overall improvement in the quality of Investor Services.

The Committee reviews investor related issues and recommends measures to improve Investor Services.

Primarily, the Stakeholders' Relationship Committee is responsible for:

- Resolving the grievances of the security holders of the listed 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.;
- Approving requests for security transfers, transmission and those pertaining to re-materialization of security/ sub-division/ consolidation/ issue of renewed and duplicate certificates, etc.;
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of securities issued by the Company;
- Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- Carrying out any other function as specifically prescribed by Board of Directors, under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the Rules and Regulations made thereunder, each as and when amended from time to time.

The details of investors' complaints received and resolved during the financial year ended March 31, 2021: -

No. of Investors' complaints received from April 1, 2020 to March 31, 2021	No. of Investors' complaints resolved from April 1, 2020 to March 31, 2021	No. of Investors' complaints pending as at March 31, 2021
24	24	NIL

Meetings of Stakeholders' Relationship Committee and attendance during the year

4 (Four) meetings of Stakeholders' Relationship Committee were held during the year ended March 31, 2021. These were held on May 22, 2020, July 28, 2020, October 29, 2020 and January 28, 2021.

The attendance of members of the Stakeholders' Relationship Committee at the said meetings was as follows:

Name of the Member	Position	No. of meetings attended
Mrs. Varsha Vasant Purandare	Chairperson	4
Mr. Desh Deepak Khetrpal	Member	4
Mr. Rajeev Jhawar	Member	4
Mr. Swapan Dasgupta	Member	4

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board has been constituted to oversee the Corporate Social Responsibility Policy of the Company and to recommend projects/ activities and the expenditure to be incurred on the activities, in accordance with the Schedule VII of the Act.

Composition

As on March 31, 2021, the Corporate Social Responsibility Committee comprised of the following members, namely:

- (i) Mr. Janat Shah
- (ii) Mr. Desh Deepak Khetrpal
- (iii) Mr. Rabindranath Jhunjhunwala
- (iv) Mr. I.Y. R. Krishna Rao

The Company Secretary of the Company acts as the Secretary to the Committee.

Role and responsibility

Primarily, the Corporate Social Responsibility Committee is responsible for:

- Formulating and recommending to the Board, a Corporate Social Responsibility Policy that shall indicate the activities to be undertaken by the Company.
- Recommending the amount of expenditure to be incurred on the Corporate Social Responsibility activities.
- Monitoring the Corporate Social Responsibility Policy of the Company and its effective implementation from time to time.

The Corporate Social Responsibility Policy of your Company is available on the Company's website and can be accessed through the web link: <https://orientcement.com/investor/>.

Meetings of Corporate Social Responsibility Committee and attendance during the year

2 (Two) meetings of Corporate Social Responsibility Committee were held during the financial year ended March 31, 2021 on May 22, 2020 and July 28, 2020.

The attendance of members of the Corporate Social Responsibility Committee at the said meetings was as follows:

Name of the Member	Position	No. of meetings attended
Mr. Janat Shah	Chairman	2
Mr. Desh Deepak Khetrpal	Member	2
Mr. Rabindranath Jhunjhunwala	Member	2
Mr. I.Y. R. Krishna Rao	Member	2

(e) Risk Management Committee

Composition

As on March 31, 2021, Risk Management Committee comprised of the following members, namely:

- (i) Mr. I. Y. R. Krishna Rao
- (ii) Mr. Desh Deepak Khetrpal
- (iii) Mr. Rajeev Jhawar
- (iv) Mr. Rabindranath Jhunjhunwala
- (v) Mr. Janat Shah
- (vi) Mr. Swapan Dasgupta
- (vii) Mrs. Varsha Vasant Purandare

The Company Secretary acts as the Secretary of the Risk Management Committee.

Role and responsibility

The role and responsibility of the Risk Management Committee is to assist the Board of Directors in visualising both macro and micro risks that may impact the business of the Company including cyber security risks, design framework for efficacious management of risk, and review the risk management plan periodically.

Meetings of Risk Management Committee and attendance during the year

1 (One) meeting of the Risk Management Committee was held during the financial year under review on October 29, 2020.

The attendance of members of Risk Management Committee at the said meeting was as follows:

Name of the Member	Position	No. of meetings attended
Mr. I. Y. R. Krishna Rao	Chairman	1
Mr. Desh Deepak Khetrapal	Member	1
Mr. Rajeev Jhawar	Member	1
Mr. Rabindranath Jhunjhunwala	Member	1
Mr. Janat Shah	Member	1
Mr. Swapan Dasgupta	Member	1
Mrs. Varsha Vasant Purandare	Member	1

MANAGEMENT COMMITTEES

With a view to have a close focus on various facets of the business risks and compliances, the management has constituted the following Committees viz Governance, Risk & Compliance Committee (GRCC), responsible for ensuring effective roll-out of the Risk Management Programme; and Steering Committee, responsible for ensuring effective roll-out of the Compliance Management Program.

(a) The Governance Risk and Compliance Committee

The Company has in place a mechanism to inform the Risk Management Committee, Audit Committee and Board members about the risk assessment and mitigation plans and periodical reviews through the Governance Risk and Compliance Committee ("GRCC") to ensure that critical risks are monitored and mitigated by the management. Business Risk Evaluation and Management is an ongoing process within the Company. The Company has a robust management framework to identify, monitor, mitigate and minimize risks and also identify business opportunities.

The GRCC has been constituted to identify and periodically review all the risks faced by the Company and to provide operational and policy guidance to the Company for effective risk management.

Composition

As on March 31, 2021, the GRCC comprised of following members, namely:

- (i) Managing Director & CEO
- (ii) Chief Financial Officer,
- (iii) Chief Operating Officer,
- (iv) Head-Human Resources

The Committee meets as and when required.

Role and responsibility

Primarily, the GRCC is responsible for:-

- Understanding of various risks which could impact the Company.
- Understanding and managing the uncertainties which impact Company's performance.
- Identifying risks and promoting a pro-active approach to mitigate / manage such risks.
- Contributing to safeguard Company's interests and those of its various stakeholders.
- Ensuring that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk.
- Allocating adequate resources to mitigate and manage risks and minimise their adverse impact on outcomes.
- Communicating this policy to the concerned stakeholders through suitable means and periodically reviewing its relevance in a continuously changing business environment.

The Company has not identified any risk which, in the opinion of the Board, may threaten the existence of the Company.

(b) Steering Committee

Recognizing the importance of compliance with various laws and regulations, the Company constituted a Steering Committee on May 8, 2015.

The Steering Committee plays an important role in building a regime of zero tolerance to any form of non-compliance.

Composition

As on March 31, 2021, the Steering Committee comprised of following members, namely:

- (i) Chief Financial Officer
- (ii) Chief Operating Officer
- (iii) Head – Human Resource
- (iv) Chief Compliance Officer
- (v) Company Secretary

The Committee meets as and when required.

Role and responsibility

Primarily, the Steering Committee is responsible for:-

- Identification of necessary compliances
- Prioritization of compliances and fixing ownership of compliances
- Monitoring of compliances
- Remedial actions in case of non-compliances

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Nomination & Remuneration cum Compensation Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Nomination & Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel has been annexed at the end of this Report as Annexure 'I'.

Criteria for selection of Directors

- The Nomination & Remuneration cum Compensation Committee identifies and ascertains the integrity, qualification, expertise and experience of the person for appointment as director and ensures

that the candidate identified possesses adequate qualification, expertise and experience for appointment as a Director.

- The Nomination & Remuneration cum Compensation Committee ensures that the candidate proposed for appointment as director is compliant with the provisions of the Act and of the SEBI Listing Regulations.
- The candidate's appointment as recommended by the Nomination & Remuneration cum Compensation Committee requires the approval of the Board.
- In case of appointment of Independent Directors, the Nomination & Remuneration cum Compensation Committee satisfies itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The Nomination & Remuneration cum Compensation Committee ensures that the candidate identified for appointment as a director is not disqualified for appointment under section 164 of the Act.

REMUNERATION OF DIRECTORS

Remuneration of Managing Director & CEO

The Company pays remuneration to its Managing Director & CEO by way of salary and other benefits as per the terms agreed with the Company. The remuneration is approved by the Board of Directors and is within the overall limits approved by shareholders of the Company.

Remuneration paid/ accrued to the Managing Director & CEO for the financial year ended March 31, 2021 is as follows:

Name	Salary and allowances (₹)*	Annual performance variable pay** and performance criteria (₹)	Perquisite (₹)	Retiral Benefits (₹)	Total (₹)	Stock Options granted	Notice Period	Severance Pay
Mr. Desh Deepak Khetrpal	4,18,00,000/- p.a.	1,72,50,000/- (Managing Director & CEO's performance and Company's performance)	3,30,220/- p.a.	1,14,51,600/- p.a.	7,08,31,820/- p.a.	NIL	Three months	Nil

*Salary and allowances includes ₹ 15,00,000/- towards encashment of earned leave as per policy of the Company.

**Annual Performance variable pay is as accrued for the financial year 2020-21.

Mr. Khetrpal holds 8,31,900 stock options convertible into equal number of equity shares of ₹ 1/-each. Exercise price is ₹ 135/- per share for exercising each option. The vesting date of the first tranche has commenced on August 4, 2018 and for the second tranche has commenced on August 4, 2019. The vested options shall have to be exercised within 4 years from the date of vesting.

Remuneration of Non-Executive Directors

Remuneration of the Non-Executive Directors of the Company by way of sitting fees and commission is decided by the Board of Directors. Payment of commission to Non-Executive Directors is determined by the Board and is broadly based on attendance, contribution at the Board Meetings and various Committee Meetings as well as time spent on various issues other than routine matters, at these meetings.

The details of sitting fees, commission paid to Non-Executive Directors and their shareholding as on March 31, 2021 are as follows:

Sl. No.	Name of director	Sitting fees (₹)*	Commission (₹)	Shareholding (Nos.)
1.	Mr. Chandrakant Birla	10,50,000/-	25,00,000	31,53,570
2.	Mr. Desh Deepak Khetrapal	NA	NA	-
3.	Mrs. Amita Birla	8,00,000/-	17,50,000	3,88,000
4.	Mr. Rajeev Jhavar	17,50,000/-	17,50,000	-
5.	Mr. Rabindranath Jhunjunwala	16,50,000/-	17,50,000	-
6.	Mr. Janat Shah	16,00,000/-	17,50,000	-
7.	Mr. Swapan Dasgupta	17,50,000/-	17,50,000	-
8.	Mr. I.Y.R. Krishna Rao	14,00,000/-	20,00,000	-
9.	Mrs. Varsha Vasant Purandare	17,50,000/-	17,50,000	-

* For attending the Board Meetings, Audit Committee Meetings, Stakeholders' Relationship Committee Meetings, Corporate Social Responsibility Committee Meetings, Nomination & Remuneration cum Compensation Committee Meetings, Risk Management Committee Meeting and separate Meeting of Independent Directors.

The Company has not granted stock options to non-executive directors.

Apart from receiving directors' remuneration, no director except Mr. Rabindranath Jhunjunwala, who is partner in Khaitan & Co., LLP and Khaitan & Co. had any pecuniary relationship with the Company. The transactions entered into with Khaitan & Co. LLP and Khaitan & Co., during the financial year 2020-21 were in ordinary course of business and at arms' length basis.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out the performance evaluation of its own performance, the Directors individually, Chairman as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration cum Compensation Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The performance evaluation was done using questionnaires, covering amongst others, composition of Board, receipt of regular inputs and information, functioning, performance & structure of Board Committees, skill set, knowledge and expertise of directors, contribution at Board Meetings and leadership. The performance evaluation of the respective Committees and that of Independent and Non-independent Directors was done by the Board excluding the director being evaluated.

INDEPENDENT DIRECTORS' MEETING

1 (One) meeting of the Independent Directors of the Company was held on October 29, 2020 without the attendance of Non-

Independent Directors and members of management. Independent Directors discussed the matters specified in Schedule IV of the Act and SEBI Listing Regulations.

The salient roles and responsibilities associated with the Independent Directors Meeting include, but are not limited to the following:

- Review the performance of Non-independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

The performance evaluation of Non-independent Directors, the Chairman and the Board was done by the Independent Directors using individual questionnaires, covering amongst others, composition of Board, receipt of regular inputs and information, functioning, performance and structure of Board Committees, skill set, knowledge and expertise of directors, preparation and contribution at Board meetings, leadership, etc. As part of the performance evaluation process, the performance evaluation of Non-independent Directors, the Chairman and the Board was done by the Independent Directors.

GENERAL BODY MEETINGS

(a) Location and time of last three Annual General Meetings are as under:

Financial year	Date	Day	Time	Venue	Special resolutions passed
2017-18	August 17, 2018	Friday	2:00 P.M	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & CEO (ii) Raising of funds through issuance of securities
2018-19	August 1, 2019	Thursday	2:00 P.M	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Re-appointment of Mr. Janat Shah (DIN 01625535) as an Independent Director (ii) Re-appointment of Mr. Rabindranath Jhunjhunwala (DIN 00050729) as an Independent Director (iii) Re-appointment of Mr. Rajeev Jhawar (DIN 00086164) as an Independent Director (iv) Approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & CEO (DIN 02362633)
2019-20	July 31, 2020	Friday	11:00 A.M.	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Re-appointment of Mr. Swapan Dasgupta (DIN 07113693) as an Independent Director

(b) Extraordinary General Meeting (EGM)

During the financial year, no Extraordinary General Meeting was held.

(c) Details of resolution passed through postal ballot, the person who conducted the postal ballot exercise and details of the voting pattern

During the financial year 2020-21, a Postal Ballot was conducted to seek the consent of the shareholders for the following special resolutions:

1. Approval of the re-appointment and terms of re-appointment of Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing Director & Chief Executive Officer for the period from August 1, 2020 to March 31, 2022.
2. Approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & Chief Executive Officer (DIN 02362633) for the period from August 1, 2020 to March 31, 2021.
3. Ratification of the re-appointment of Mr. Desh Deepak Khetrpal, (DIN 02362633) as the Managing Director & Chief Executive Officer for the period from April 1, 2020 to July 31, 2020.
4. Ratification of payment of remuneration of Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing Director & Chief Executive Officer for the period from April 1, 2020 to July 31, 2020.

The Board of Directors appointed Mr. A.K. Labh, Practicing Company Secretary (Membership No. FCS - 4848 / CP - 3238) as Scrutiniser for scrutinising the Postal Ballot process in a fair and transparent manner. The details of the voting pattern are as under:

Resolution	No. of valid votes	No. of votes in favour	No. of votes against	No. of invalid votes	Result
Item No. 1: Special Resolution for approval of the re-appointment and terms of re-appointment of Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing Director & Chief Executive Officer for the period from August 1, 2020 to March 31, 2022.	149971499	149969943 (99.9990%)	1556 (0.0010%)	-	Passed with requisite majority
Item No. 2: Special Resolution for approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & Chief Executive Officer (DIN 02362633) for the period from August 1, 2020 to March 31, 2021.	149971474	149969877 (00.9989%)	1597 (0.0011%)	-	Passed with requisite majority
Item No. 3: Special Resolution for ratification of the re-appointment of Mr. Desh Deepak Khetrpal, (DIN 02362633) as the Managing Director & Chief Executive Officer for the period from April 1, 2020 to July 31, 2020.	149971354	149969810 (99.9990%)	1544 (0.0010%)	-	Passed with requisite majority
Item No. 4: Special Resolution for ratification of payment of remuneration of Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing Director & Chief Executive Officer for the period from April 1, 2020 to July 31, 2020.	149967114	149965558 (99.9990%)	1556 (0.0010%)	-	Passed with requisite majority

Further, none of the business proposed to be transacted at the ensuing Annual General Meeting requires to be transacted through Postal Ballot.

MEANS OF COMMUNICATION

Results: The financial results are generally published in 'Business Standard' in English and 'Utkal Mail' in vernacular language.

Website: The financial results are posted on the Company's website viz. www.orientcement.com.

News Release, Presentations: The press releases/official news, detailed presentation made to media, analysts, institutional investors etc. are displayed on the Company's website. Official Media Releases are also sent to the stock exchanges before dissemination to the media.

Intimation to the Stock Exchanges: The Company intimates the Stock Exchanges on all price sensitive information or such other matters which in its opinion are material and of relevance to the Investors.

SEBI Complaints Redress System (SCORES): The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id: The Company has designated the following email-id for investor servicing: investors@orientcement.com. Investors can also mail their queries to Registrar and Share Transfer Agent at einward.ris@kfintech.com.

GENERAL SHAREHOLDER INFORMATION

Financial Year

The financial year covers the period starting from 1st April and ending on 31st March.

Financial Calendar

Board Meeting for consideration of unaudited quarterly results

Board Meeting for consideration of audited results

Within forty-five days from the end of the quarter, as stipulated under the SEBI Listing Regulations.

Within sixty days from the end of the last quarter, as stipulated under the SEBI Listing Regulations. However, for the financial year ended March 31, 2021, SEBI vide its circular dated April 29, 2021 extended this timeline upto June 30, 2021.

Book Closure date	Friday, July 30, 2021 to Thursday, August 5, 2021 (both days inclusive).
Dividend payment date	On or before September 3, 2021 (for electronic payment)
Day, date, time and venue of Annual General Meeting	Thursday, August 5, 2021 at 2:00 p.m. through video conferencing at Unit –VIII, Plot No. 7, Bhoingar, Bhubaneswar-751012, (Odisha) in terms of Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, read with Circular No. 02/2021 dated January 13, 2021 issued by Ministry of Corporate Affairs.

National Stock Exchange of India Limited (NSE)
Exchange Plaza, C-1, Block G, 5th Floor,
Bandra Kurla Complex
Bandra (E), Mumbai – 400051

The annual listing fees for the financial year 2020-21, as applicable, have been paid to both BSE and NSE. The Company's stock codes are:

BSE **535754**
NSE **ORIENTCEM**

Payment of Depository fees

Annual Custody/Issuer fee for the financial year 2020-21 has been paid by the Company to NSDL and CDSL. The ISIN No. of the Company on both NSDL and CDSL is INE876N01018.

Payment of fees to Statutory Auditors

During the financial year ended March 31, 2021, the Company has paid the following amounts (excluding applicable taxes) to M/s S.R. Batliboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, its affiliate firms and other firms in the network entity of which the Statutory Auditor is a part:

a) Fees for audit and related services	87.84 lacs
b) Other fees	5.70 lacs
Total	93.54 lacs

Listing

Equity Shares of the Company are currently listed on the following Stock Exchanges:

BSE Limited (BSE)
1st Floor, New Trading Ring
Rotunda Building, P.J. Tower
Dalal Street, Fort,
Mumbai – 400001

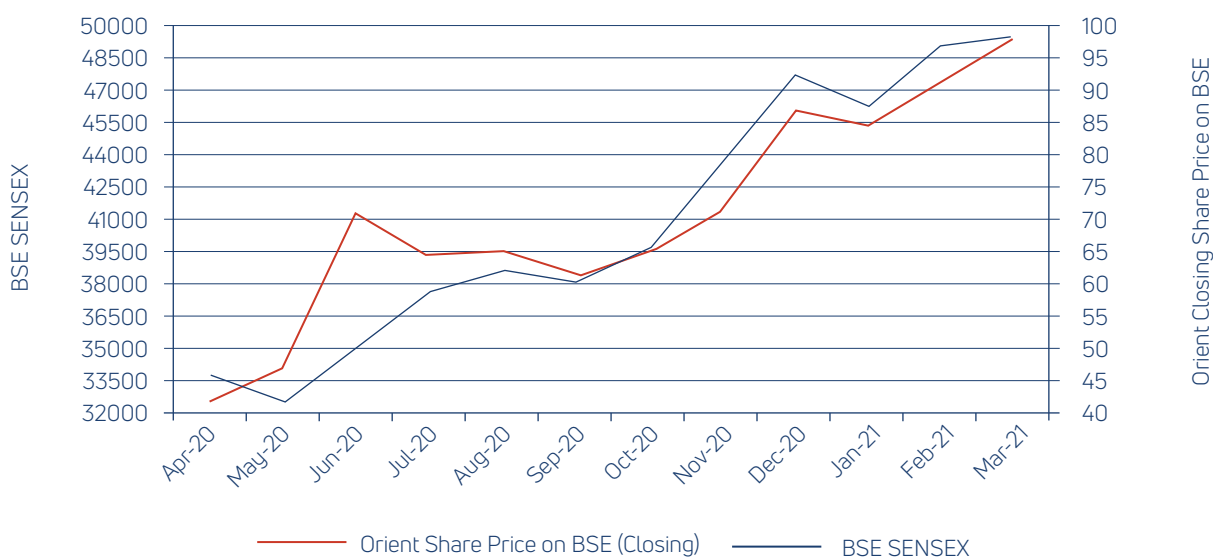
Market price data Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) (April 2020-March 2021)

Month	BSE		NSE	
	High Price (Rupees)	Low Price (Rupees)	High Price (Rupees)	Low Price (Rupees)
April 2020	52.40	40.35	52.30	40.20
May 2020	47.90	35.25	47.95	35.10
June 2020	78.00	48.05	78.00	48.00
July 2020	73.95	62.10	74.00	62.55
August 2020	73.65	62.90	73.90	63.20
September 2020	66.55	56.25	66.90	56.20
October 2020	69.30	56.50	69.35	56.85
November 2020	72.35	60.80	72.40	60.60
December 2020	89.40	71.50	89.25	71.70
January 2021	91.00	79.10	91.20	78.55
February 2021	99.50	83.00	99.50	83.00
March 2021	113.80	92.10	114.00	92.50

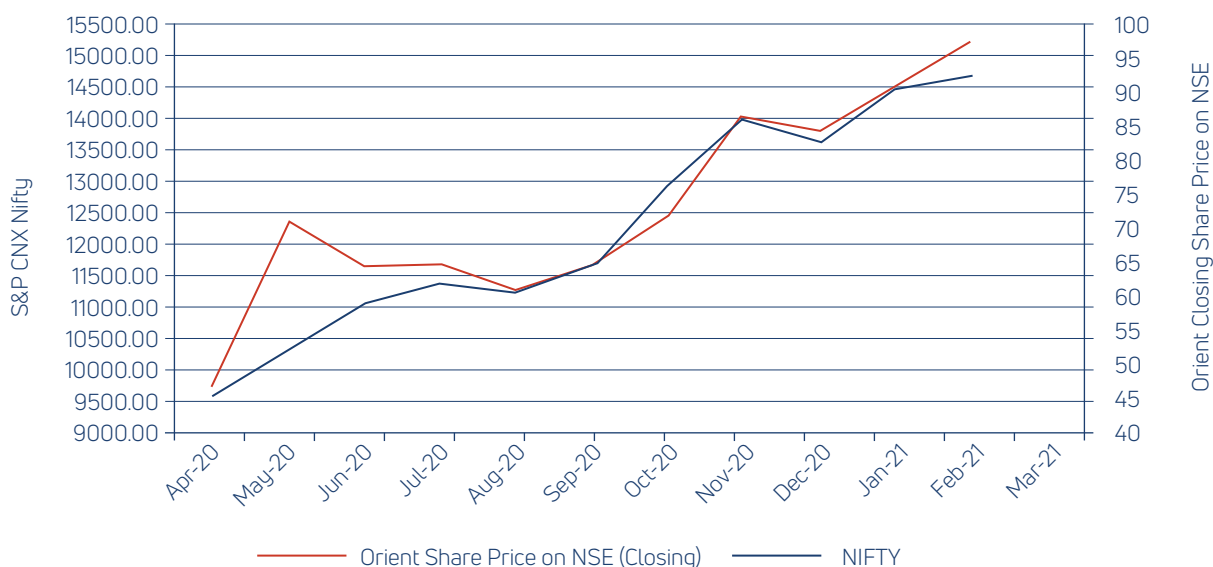
Performance in comparison to BSE Sensex and S&P CNX Nifty

Month	BSE (Closing price) (Rupees)	BSE Sensex (Closing)	NSE (Closing price) (Rupees)	S&P CNX Nifty (Closing)
April 2020	40.80	33717.62	40.85	9859.90
May 2020	46.90	32424.10	46.85	9580.30
June 2020	71.00	34915.80	71.40	10302.10
July 2020	64.40	37606.89	64.35	11073.45
August 2020	65.00	38628.29	64.90	11387.50
September 2020	61.30	38067.93	61.25	11247.55
October 2020	64.80	39614.07	64.60	11642.40
November 2020	71.50	44149.72	71.65	12968.95
December 2020	86.85	47751.33	86.95	13981.75
January 2021	84.50	46285.77	84.55	13634.60
February 2021	91.85	49099.99	91.80	14529.15
March 2021	98.00	49509.15	97.80	14690.70

Orient Share Price on BSE vis a vis BSE Sensex



Orient Share Price on NSE vis a vis S&P CNX Nifty



Share Transfer system and other related matters

The Company's shares are traded on the Stock Exchanges, compulsorily in dematerialized mode. The dematerialized shares are transferred directly to the beneficiaries by the depositories. In terms of Regulation 40 of SEBI Listing Regulations, the requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository except in the cases of transmission or transposition of securities. Therefore, shareholders are requested to open a demat account with a Depository Participant (DP) and deposit their physical shares with such DP to get the shares demat at the earliest to avoid any kind of inconvenience.

Share transfer forms which are received by the Company, complete in all respects are promptly processed and the share certificates

are returned to the transferees within a period of fifteen days from the date of receipt. Share transfer forms which are incomplete or where the Company has noticed irregularities in the document are immediately returned to the transferees.

Members holding shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferor(s), transferee(s), surviving joint holders / legal heirs be submitted to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in Practice as required under SEBI Listing Regulations and files a copy of the certificate with the Stock Exchanges on or before the due date.

Shareholding Pattern as on March 31, 2021

Sl. No.	Category	Number of shares held	Percentage of shareholding
(A)	Shareholding of Promoter and Promoter Group		
1.	Indian	7,65,49,922	37.37
2.	Foreign	-	-
	Total shareholding of Promoter and Promoter Group	7,65,49,922	37.37
(B)	Public shareholding		
1.	Institutions	5,36,23,114	26.17
2.	Central Government/ State Government(s)/ President of India	-	-
3.	Non-Institutions	7,46,95,724	36.46
	Total Public Shareholding	12,83,18,838	62.63
(C)	Shares held by Custodians and against which Depository Receipts have been issued		
1.	Promoter and Promoter Group	-	-
2.	Public	-	-
	TOTAL (A) + (B) + (C)	20,48,68,760	100.00

Distribution of shareholding as on March 31, 2021

From-To	No. of shares	Percentage of total no. of shares
	Number	
1-500	4979843	2.43
501-1000	3324359	1.62
1001-2000	2893187	1.41
2001-3000	1816739	0.89
3001-4000	1154039	0.56
4001-5000	1269237	0.62
5001-10000	3720827	1.82
10001-50000	7664979	3.74
50001-100000	4208828	2.05
Above 100001	173836722	84.85
Total	20,48,68,760	100.00

Dematerialization of shares and liquidity

Trading in equity shares of the Company is permitted only in dematerialized form. To facilitate trading in equity shares of the Company in dematerialized form, the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders can open an account with any Depository Participant registered with one of these two depositories.

Members holding shares in physical mode are urged in their own interest to hold these shares in dematerialized form with any Depository Participant.

As on March 31, 2021, 99.48% of the equity shares of the Company are held by 51,255 equity shareholders in the dematerialized form and the balance 0.52% is held by 305 equity shareholders in physical form.

Entire equity shareholding of the promoters in the Company is held in dematerialized form.

Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ ADRs/ Warrants etc., during the financial year 2020-21.

As on March 31, 2021, a total of 11,06,000 options were outstanding under "Orient Cement Employee Stock Option Scheme 2015". Each option is convertible into one equity share of ₹ 1 each.

Commodity price risk or foreign exchange risk and hedging activities

The Company is not exposed to foreign exchange risk and commodity price risk. Further, the Company is not carrying out any hedging activities.

Plant Locations

The Company's plants are located at:

Devapur:

P.O. Devapur Cement Works
Dist. Adilabad - 504218 (Telangana)

Jalgaon:

Nashirabad,
Dist. Jalgaon (Maharashtra)

Chittapur:

Village: Itaga, Malkhaid Road,
Taluka Chittapur, Dist. Kalburagi,
Karnataka - 585292

Credit Ratings

The Company has received the following ratings from CARE Ratings Limited on the debt instruments of the Company:

Facilities	Ratings
Long term Bank facilities	CARE AA-(Double A minus stable)
Commercial Paper (CP) issue	CARE A1+(A One Plus)

There is no change in the said ratings during the financial year 2020-21.

Registrar and Share Transfer Agent

KFin Technologies Private Limited is acting as the Registrar and Share Transfer Agent (RTA) of the Company for handling the shares related matters both in physical as well as electronic mode.

Shareholders are therefore, advised to send all their correspondence directly to the RTA. The address for communication is:

KFin Technologies Private Limited
Unit: Orient Cement Limited
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana
Toll Free No. 1800 309 4001
Email: einward.ris@kfintech.com

However, for the convenience of shareholders, correspondence relating to shares received by the Company are forwarded to the RTA for necessary action thereon.

Address for correspondence with the Company

Ms. Nidhi Bisaria
Company Secretary
Birla Tower 3rd Floor,
25, Barakhamba Road,
New Delhi-110 001
Telephone: 011 42092253

Exclusive email id for investors:

The Company has designated an e-mail ID to enable the Members and Investors to correspond with the Company. The e-mail ID is investors@orientcement.com.

GO GREEN INITIATIVE

To contribute towards a greener environment, the Company proposes to send documents like Shareholders Meeting Notice/ other Notices, Audited Financial Statements, Directors' Report, Auditors' Report or any other document, to Members in electronic form at the e-mail address provided by them and/ or made available to the Company by the Depositories.

The shareholders having shares in physical form are requested to register their e-mail address with us or our Registrar, at the address given in this report, to enable us to send any document, notice, communication, annual report, etc. through e-mail.

The shareholders holding shares in dematerialized form are requested to register their e-mail address with their respective Depository Participant for the above purpose.

COMMUNICATION BY MEMBERS

Members who hold shares in dematerialized form should correspond with the Depository Participant with whom they maintain their Demat Account(s) for queries relating to shareholding, change of address, updation of bank details for electronic credit of dividend, etc. However, queries relating to non-receipt of dividend or non-receipt of annual reports of the Company should be addressed to the Company.

Members who hold shares in physical form should address their queries to the RTA/Company for change of address, change in bank details, processing of unclaimed dividend, issue of duplicate share certificates signed by the first named Member, as per the specimen signature registered with the Company. The RTA/Company may also, with a view to safeguard the interest of its Members and that of the Company, request for additional supporting documents such as certified copies of PAN Cards and other proof of identity and/or address.

Members are requested to indicate their DP ID & Client ID / Ledger Folio number in their correspondence with the RTA/Company and also to provide their email addresses and telephone numbers to facilitate prompt response from the Company.

CHANGE OF ADDRESS

Members holding equity share(s) in physical form are requested to notify the change of address/dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.

The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding equity share(s) in dematerialized form are requested to submit their PAN and notify the change of address/dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN and notify the change of address/dividend mandate, if any, to the Company/Registrar & Share Transfer Agent.

PENDING INVESTORS' GRIEVANCES

Any Member / Investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary with a copy of the earlier correspondence.

DISCLOSURES

(a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

All the transactions entered into with Related Parties as per the Act and Regulation 23 of the SEBI Listing Regulations during the financial year 2020-21 were in the ordinary course

of business and on an arm's length basis and do not attract provisions of section 188 of the Act. Further, there was no material related party transaction which required shareholders' approval and was required to be disclosed quarterly along with the compliance report on Corporate Governance.

The required statements / disclosures with respect to the related party transactions are placed before the Audit Committee on regular basis. Suitable disclosures as required by the Accounting Standards have been made in the notes to the Financial Statements.

Further, the Company has not entered into any transaction of a material nature with Promoters, the Directors or the Management or relatives etc. that may have any potential conflict with the interest of the Company.

The Company's policy relating to the dealing with Related Party Transactions is uploaded on the website of the Company and can be accessed through the web link: <https://orientcement.com/investor/>.

(b) Disclosures on material, financial and commercial transactions, where Senior Management have personal interest that may have a potential conflict with the interest of the Company

No transaction has been entered into during the financial year where Senior Management has personal interest that may have a potential conflict with the interest of the Company.

(c) Non-compliance by the Company, penalties, strictures imposed by the Stock Exchange or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years

Neither any penalty nor any stricture has been imposed by SEBI, Stock Exchanges or any other Statutory Authority on any matter relating to capital markets, during the last three years.

(d) Whistle Blower and Vigil Mechanism Policy

As per section 177 of the Act and Regulation 22 of SEBI Listing Regulations a comprehensive Whistle Blower Policy ("Policy") has been implemented within the organization. The Policy enables the stakeholders (including directors, individual employee(s) and their representative bodies, vendors and suppliers) to report concerns about illegal or unethical practices, unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. Adequate safeguards are provided against victimization to those who avail of the mechanism including access to the Chairman of the Audit Committee in exceptional cases. This Policy safeguards the whistleblowers from reprisals or victimization. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

The Whistle Blower Policy is available on Company's website and can be accessed through the web link: <https://orientcement.com/investor/>.

It is hereby confirmed that no personnel has been denied access to the Audit Committee.

The contact details of the Designated Officer for vigil mechanism is:

Company Secretary

E-mail ID-whistleblower@orientcement.com

The contact details of the Chairman of the Audit Committee for Vigil Mechanism are:

Chairman of the Audit Committee

Birla Tower 3rd Floor, 25, Barakhamba Road, New Delhi-110 001

(e) Compliance with mandatory requirements

The Company has complied with all the mandatory requirements of SEBI Listing Regulations.

(f) Compliance with non-mandatory provisions

The Board – The Chairman of the Company is a Non- Executive Director and does not maintain the Chairman's office at the Company's expenses.

Shareholders Rights –As per SEBI Listing Regulations, the financial results were made available on the Company's website www.orientcement.com.

Audit Qualifications – There was no qualification by the Auditors on the financial statements of the Company.

Separate posts of Chairman and CEO – The Company has separate posts of Chairman and Managing Director & CEO.

Reporting of Internal Auditor – The Audit Committee is briefed through discussions and presentations of the observations, review, comments, recommendations etc. through an Internal Audit presentation made by the Internal Auditor of the Company.

(g) Disclosure of accounting treatment in preparation of financial statements

The Company has followed the guidelines of Accounting Standards notified under the Act as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements. The significant accounting policies which are consistently applied have been set out in the "Notes to the financial statements".

WEBSITE

The Company is maintaining a functional website viz: www.orientcement.com and is disseminating the information on its website as required under SEBI Listing Regulations, which, *inter alia*, includes:

- Details of its business;
- Terms and conditions of appointment of Independent Director;

- Composition of various committees of Board of Directors;
- Code of conduct of Board of Directors and Senior Management Personnel;
- Whistle Blower Policy;
- Policy on dealing with related party transactions;
- Policy for determination of Materiality of Event;
- Archival Policy;
- Dividend Distribution Policy;
- Nomination & Remuneration policy for Directors, KMPs & Senior Management;
- Corporate Social Responsibility Policy;
- Code of Practices and Procedures for UPSI;
- Details of familiarization programs imparted to the Independent Directors;
- Email address for grievance redressal and contact information of Compliance Officer
- Financial information including notice of meeting of Board of Directors to be held for discussion of financial results and annual reports and
- Shareholding pattern

NOMINATION FACILITY

The shareholders holding shares in physical form may, if they so want, send their nomination(s), as per section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, in form SH-13, which can be obtained from the Company's Registrar and Share Transfer Agent. Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the Nomination facility.

RECONCILIATION OF SHARE CAPITAL AUDIT

As required by Securities Exchange Board of India, quarterly audit of the Company's share capital is being carried out by Company Secretary in Practice with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Company files this audit report with the Stock Exchanges on or before the due date.

DIVIDEND AND OTHER RELATED MATTERS

The Company provides the facility for direct credit of the dividend to the members' bank account. SEBI Listing Regulations also mandate Companies to credit the dividend to the Members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the banks' "Automated Clearing House" mode. Members who hold

shares in dematerialized mode should inform their Depository Participant, whereas members holding shares in physical form should inform the Company of the banking account details allotted to them by their bankers. In cases where the banking details are not available, the Company will issue dividend warrants to the members.

Further, the Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years from the date the dividend has become due for payment to the Investor Education & Protection Fund (IEPF) established by the Government. Pursuant to the provisions of Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended, unpaid and/or unclaimed final dividend of ₹ 22,37,280 pertaining to the financial year ended on March 31, 2013 and unpaid and/or unclaimed interim dividend of ₹ 8,66,113 for the year ended March 31, 2014 were transferred during the year to the Investor Education and Protection Fund ("IEPF").

Further, 8,68,918 and 7,770 equity shares of face value of ₹1 each, in respect of which dividend was not paid or claimed by the members for seven consecutive years or more, have been transferred by the

Company to IEPF during the year. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

The information on unclaimed dividend is posted on the website of the Company www.orientcement.com.

UNCLAIMED SHARES

The Company had opened a Demat Suspense Account- "**ORIENT CEMENT LTD-UNCLAIMED SUSPENSE ACCOUNT**" and unclaimed equity shares have been transferred to this Account of the Company. Further, in terms of Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended, equity shares in respect of which dividend was not paid or claimed by the members for seven consecutive years or more, are required to be transferred by the Company to IEPF during the year. During the financial year 2020-21, the said period of seven years has completed and the shares lying in the aforesaid suspense account have been transferred to the IEPF. Details of the account as on March 31, 2021 are as under:

Sl. No.	Description	Number of Shares / Shareholders
1.	Total number of shareholders in the Suspense Account at the beginning of the financial year, i.e., April 1, 2020	165
2.	Total number of outstanding equity shares in the Suspense Account lying at the beginning of the financial year, i.e. April 1, 2020	7,32,180
3.	Number of shareholders whose shares are transferred to IEPF Account during the financial year	165
4.	Number of shares transferred from Suspense Account to IEPF Account during the financial year	7,32,180
5.	Total number of shareholders in the Suspense Account at the end of the financial year, i.e., March 31, 2021	-
6.	Total number of outstanding equity shares in the Suspense Account lying at the end of the financial year, i.e., March 31, 2021	-

Further, the rightful owner of such shares can claim their shares from IEPF Authority by submitting an online application in the prescribed 'Web Form IEPF-5', detail(s) of the same is available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company at its Registered/Corporate Office along with requisite documents enumerated in 'Web Form IEPF- 5'.

CODE OF CONDUCT

The Company has also adopted a Code of Conduct ("Code") for the Members of the Board of Directors and Senior Management, and all the directors and senior functionaries as defined in the said Code. The Code provides for their annual confirmation of compliance with the Code. The Code is available on Company's website and can be accessed through the web link: <https://orientcement.com/investor/>. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in SEBI Listing Regulations forms part of the appointment letters issued to the Independent Directors.

POLICIES & CODE AS PER SEBI INSIDER TRADING REGULATIONS

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by Designated Persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

The Company's Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on Company's website https://www.orientcement.com/wp-content/uploads/2019/04/CODE_OF_CONDUCT_OF_PRACTICES-_AND_PROCEDURES_FOR_FAIR_DISCLOSURE_OF_UNPUBLISHED_PRICE_SENSITIVE_INFORMATION.pdf.

BOARD FAMILIARIZATION PROGRAM

A formal letter of appointment is given to Independent Directors at the time of their appointment detailing the terms and conditions

of their appointment, expectations, roles, functions, duties and responsibilities. At the Board and Committee meetings, the Independent Directors are familiarized with the Company's business performance, operations, projects, market share, financial parameters, working capital management, fund flows, change in senior management, major litigation(s), compliance(s) etc. They are also appraised about risk assessment and mitigation processes.

With a view to familiarize the Independent Directors with the Company's operations, the Managing Director & CEO has a personal discussion with the newly appointed director. The above initiatives help the director to understand the Company, its business and the regulatory framework in which the Company operates and equips him / her to effectively fulfil his / her role as a director of the Company.

The details of programs for familiarization of the Independent Directors are available on the Company's website and can be accessed through the web link: <https://orientcement.com/investor/>.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules

thereunder. The Company has constituted Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment.

The details of the number of cases filed under Sexual Harassment and their disposal, during the financial year 2020-21 is as under:

Number of complaints filed during the financial year	1
Number of complaints disposed of during the financial year	1
Number of cases pending as on the end of the financial year	Nil

CEO/CFO CERTIFICATION

The Managing Director & CEO and Chief Financial Officer certification as stipulated in the Regulation 17(8) of SEBI Listing Regulations was placed before the Board along with financial statement(s) for the year ended March 31, 2021. The Board reviewed and took the same on record. The said certificate forms part of the Annual Report.

By order of the Board of Directors
For Orient Cement Limited

CK. Birla
Chairman
(DIN 00118473)

Place: London
Date: May 17, 2021

CERTIFICATE

Under Regulation 34(3) read with Schedule V (C) (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

On the basis of the confirmations received from the Directors of Orient Cement Limited (CIN: L269400R2011PLC013933) having Registered office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha-751 012, we hereby confirm that:

As on March 31, 2021, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Place: New Delhi
Date: May 17, 2021

Balika Sharma & Associates
Company Secretaries
FCS No: 4816
C.P.No : 3222
UDIN F004816C000335080

Annexure I

Nomination & Remuneration Policy

1. INTRODUCTION

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), this policy on nomination and remuneration of Directors (including non-executive directors) of the Board of Directors, the Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors. This Policy shall act as a guideline for determining, inter-alia, qualifications, positive attributes and independence of a director, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors (including non-executive directors), Key Managerial Personnel and Senior Management Personnel.

2. OBJECTIVE OF THE POLICY

- (a) The objective of this Policy is to outline a framework to ensure that the Company's remuneration levels are aligned with industry practices and are sufficient to attract and retain competent directors on the Board, KMPs and the Senior Management Personnel of the quality required, while allowing fair rewards for the achievement of key deliverables and enhanced performance. The key objectives of this Policy include:
 - (i) guiding the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
 - (ii) specifying the manner for effective evaluation of the performance of the members of the Board individually, Board as a whole and Committees thereof, and review its implementation and compliance.
 - (iii) recommending to the Board the remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and Senior Management.
- (b) While determining the remuneration for the Directors (including non-executive directors) and KMPs and the Senior Management Personnel, regard should be made to prevailing market conditions, business performance and practices in comparable companies, also to financial and commercial health of the Company as well as prevailing laws and government/ other guidelines, to ensure that pay structures are appropriately aligned and the level of remuneration remain appropriate.

- (c) While designing the remuneration package it should be ensured:
 - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person, to ensure the quality required to run the Company successfully;
 - (ii) there is a balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- (d) Some part of the remuneration package may be linked to the achievement of corporate performance targets of the Company and a strong alignment of interest with stakeholders.
- (e) The Committee may consult with the chairman of the Board as it deems appropriate.
- (f) The Committee shall observe the set of principles and objectives as envisaged under the Companies Act, 2013 ("Act") (including section 178 thereof), rules framed there under and the Listing Regulations including, inter-alia, principles pertaining to determining qualifications, positives attributes, integrity and independence.
- (g) In this context, the following policy adopted by the Board of Directors at its meeting held on November 5, 2014 and further amended by the Board of Directors at its meeting held on March 22, 2019.

3. EFFECTIVE DATE

This policy shall be effective from the date of its adoption by the Board. Any amendment to this Policy shall be effective from the effective date of such amendment as specified in the applicable law/regulations or as specified by the Board.

4. DEFINITIONS

- (a) In this Policy unless the context otherwise requires:
 - (i) **'Board of Directors'** or **'Board'**, in relation to the Company, means the collective body of the directors of the Company.
 - (ii) **'Committee'** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
 - (iii) **'Company'** means **"Orient Cement Limited"**.
 - (iv) **'Independent Director'** means a director referred to in section 149(6) of the Companies Act, 2013 read with regulation 16(1)(b) of the Listing Regulations.

- (v) **'Key Managerial Personnel' (KMP)** shall have the meaning ascribed to it in the Act and the Rules made thereunder.
- (vi) **'Non-Executive Directors'** includes Independent Directors.
- (vii) **'Policy'** means this Nomination and Remuneration policy.
- (viii) **'Senior Management Personnel'** shall mean officers/ personnel of the Company who are members of its core management team excluding Board of Directors. It would comprise all members of management one level below the chief executive officer/ managing director/ whole-time director/manager (including chief executive officer/ manager, in case they are not part of the Board of Directors), and shall specifically include Company Secretary and Chief Financial Officer.

- (b) Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and/ Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. APPLICABILITY

This Policy is applicable to:

- (i) Directors, including Non- Executive Directors
- (ii) Key Managerial Personnel
- (iii) Senior Management Personnel

6. MEMBERSHIP

- (a) The Committee shall consist of such number of directors as is required under applicable laws.
- (b) Membership of the Committee shall be disclosed in the Annual Report and on the website of the Company.
- (c) Term of the Committee shall be continuous unless terminated by the Board of Directors.

7. CHAIRMAN

- (a) Chairman of the Committee shall be an Independent Director.
- (b) Chairperson of the Company (whether executive or non executive) may be appointed as a member of the Committee but shall not be the Chairman of the Committee.
- (c) Chairman of the Nomination and Remuneration Committee meeting shall be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such intervals as may be required.

9. COMMITTEE MEMBERS' INTERESTS

- (a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

10. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

11. QUORUM

The quorum necessary for transacting business at a meeting of the Committee shall be two members or one-third of the members of the Nomination and Remuneration Committee; whichever is greater.

12. VOTING

- (a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present. Any such decision shall for all purposes be deemed a decision of the Committee.
- (b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

13. RESPONSIBILITY OF THE COMMITTEE

- (a) The Committee is responsible for:
 - (i) formulating criteria for determining qualifications, positive attributes and independence of a Director for the purpose of this Policy;
 - (ii) advising the Board on issues concerning principles for remuneration and other terms of employment including remuneration for the Directors (including Non-Executive Directors), KMPs and the Senior Management Personnel;
 - (iii) monitoring and evaluating programs for variable remuneration, both on-going and those that have ended during the year, for the Directors (including Non-Executive Directors), KMPs and the Senior Management Personnel;
 - (iv) monitoring and evaluating the application of this Policy;
 - (v) monitoring and evaluating current remuneration structures and levels in the Company; and
 - (vi) any other responsibility as determined by the Board.

14. APPOINTMENT OF DIRECTORS, KMP OR SENIOR MANAGEMENT PERSONNEL

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management level.
- (b) A person should possess adequate qualifications, expertise and experience for the position he/ she is considered for appointment as a Director, Key Managerial Personal or Senior Management Personnel. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- (c) Appointment of Directors, KMP's and Senior Management Personnel are subject to compliance of provisions of the Companies Act, 2013 and compliance of Listing Regulations.
- (d) The appointment as recommended by the Nomination and Remuneration Committee further requires the approval of the Board.

15. REMUNERATION

(a) Remuneration to Executive Directors, Directors other than Executive Director and KMP :

- (i) The remuneration/ compensation/ commission etc. to Directors and KMP will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- (ii) The remuneration and commission to be paid to Directors shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under/and or Listing Regulations for the time being in force.
- (iii) Increments to the existing remuneration/ compensation structure of Directors and KMP shall be recommended by the Committee to the Board which should be within the slabs approved by the shareholders in the case of Directors.
- (iv) Where any insurance is taken by the Company on behalf of its Directors and KMP for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- (v) Remuneration to Executive Director and KMP

Fixed pay:

- Executive Directors and KMP shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the NRC Committee

in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder and /or Listing Regulations for the time being in force.

- The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Variable components:

- The Executive Director and KMP participate in a performance linked variable pay scheme which will be based on the individual and Company's performance for the year, pursuant to which the Executive Director and KMP are entitled to performance-based variable remuneration.

Remuneration to Directors other than Executive Director:

Sitting Fees:

- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Limit of Remuneration /Commission:

- Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.
- The approval of shareholders by way of special resolution shall be obtained every year, in case the annual remuneration payable to a single Non-executive Director exceeds fifty percent of the total annual remuneration payable to all Non-Executive Directors, giving details of remuneration thereof.

Reimbursement of expenses:

- The Non-executive Directors shall be reimbursed with the expenses incurred by them in connection with Board and Committee meetings.
- (vi) Provisions for excess remuneration:
 - If any Director draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction as may be required

under the Companies Act, 2013, he / she shall refund such sum to the Company within such time as may be specified by the Committee/Board of Directors and until such sum is refunded, hold it in trust for the Company.

(b) Remuneration to Senior Management Personnel:

- (i) The Managing Director is authorised to determine from time to time the remuneration payable to Senior Management Personnel including their increments subject to ratification by the Nomination and Remuneration Committee and the Board of Directors in their next meeting.
- (ii) The Board, on the recommendation of the Committee, shall review and approve/ratify the remuneration payable to the Senior Management Personnel of the Company, which shall include remuneration payable, in whatever form.
- (iii) Where any insurance is taken by the Company on behalf of its Senior Management Personnel for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- (iv) Remuneration to Senior Management Personnel may consist of the following components:

Fixed pay:

- Senior Management Personnel shall be eligible for a monthly remuneration as may be recommended by the NRC Committee and approved by the Board of Directors in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
- The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee.

Variable components:

- The Senior Management Personnel participate in a performance linked variable pay scheme which will be based on the individual and Company's performance for the year, pursuant to which the Senior Management Personnel are entitled to performance-based variable remuneration.

16. EVALUATION OF PERFORMANCE OF DIRECTORS, BOARD AS A WHOLE AND COMMITTEES THEROF

Independent Directors shall annually (a) review the performance of Non-Independent Directors and the Board as

a whole; and (b) review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

The Board of Directors (with the individual director being evaluated recusing himself/ herself at the relevant time) shall also annually review the performance of individual Directors, Board as a whole and its Committees.

This evaluation will be based on the responses of individual Directors / Committee Members on the structured questionnaires.

The Committee shall review the implementation and compliance of the evaluation system followed by the Board and the Independent Directors.

17. POLICY ON BOARD DIVERSITY

- (a) The Board of Directors shall have the optimum combination of Directors from the different areas/ fields like production, management, quality assurance, finance, sales and marketing, research and development, Human Resources, etc. or as may be considered appropriate.
- (b) The Board shall have at least one Board member who has accounting or related financial management expertise.

18. REMOVAL

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP and Senior Management subject to the provisions and compliance of the applicable Act, rules and regulations, if any.

19. DISCLOSURE OF INFORMATION

This Policy shall be disclosed in the Board's report.

20. DEVIATION FROM THE POLICY

The Board may, in individual or collective case, deviate from this Policy, in its absolute discretion, if there are particular reasons to do so. In the event of any departure from the Policy, the Board shall record the reasons for such departure in the Board's minutes.

21. AMENDMENTS TO THE POLICY

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

CEO & CFO CERTIFICATION

To
The Board of Directors,
Orient Cement Limited

We the undersigned, in our respective capacities as Managing Director & CEO and Chief Financial Officer of Orient Cement Limited ("the Company") certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and 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 proposed to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For Orient Cement Limited

D. D. Khetrpal
(Managing Director & CEO)
(DIN 02362633)
Place: New Delhi

Soumitra Bhattacharya
(Chief Financial Officer)
(FCA- A059004)
Place: Hyderabad

Date: May 17, 2021

Compliance with Code of Conduct

To,
The Board of Directors,
Orient Cement Limited

In compliance with the requirements of Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby confirmed that all the Board members and the Senior Management Personnel have confirmed compliance with the Company's Code of Conduct for Directors and Senior Management for the financial year ended March 31, 2021.

For Orient Cement Limited

D. D. Khetrpal
(Managing Director & CEO)
(DIN 02362633)

Date: May 17, 2021
Place: New Delhi

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,
The Members of **Orient Cement Limited**

- The Corporate Governance Report prepared by Orient Cement Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2021 as required by the Company for annual submission to the Stock exchange.

MANAGEMENT'S RESPONSIBILITY

- The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
- The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

- Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
- We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance (Revised), both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that

Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

- The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
 - Read and understood the information prepared by the Company and included in its Corporate Governance Report;
 - Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
 - Obtained and read the Register of Directors as on March 31, 2021 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
 - Obtained and read the minutes of the following committee meetings / other meetings held between April 01, 2020 to March 31, 2021:
 - Board of Directors;
 - Audit Committee;
 - Annual General Meeting (AGM);
 - Nomination and Remuneration cum Compensation Committee;
 - Stakeholders' Relationship Committee;
 - Risk Management Committee; and
 - Corporate Social Responsibility Committee
 - Obtained necessary declarations from the directors of the Company.
 - Obtained and read the policy adopted by the Company for related party transactions.
 - Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
 - Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 4 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This report 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.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 21060352AAAABI4268

Place of Signature: Kolkata

Date: May 17, 2021

Business Responsibility Report for the Financial Year 2020-21

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L269400R2011PLC013933
2.	Name of the Company	Orient Cement Limited
3.	Registered address	Unit -VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, (Odisha)
4.	Website	www.orientcement.com
5.	E-mail id	soumitro.bhattacharyya@orientcement.com
6.	Financial year reported	April 1, 2020- March 31, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	
	Group	Class
	239	2394
		Sub class
		23941
		Description
		Manufacture and sale of cement
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	The Company manufactures cement of two kinds viz: Ordinary Portland Cement (OPC) and Pozzolana Portland Cement (PPC)
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	Nil
	(b) Number of National Locations	13 States
10.	Markets served by the Company – Local/State/National/International	National

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	₹ 2,048.69 lacs
2.	Total Turnover (INR)	₹ 2,32,408.70 lacs
3.	Total profit after taxes (INR)	₹ 21,418.53 lacs
4.	Total spending on Corporate Social Responsibility (CSR)	The Company has spent ₹ 825.53 lacs during the financial year 2020-21 on CSR activities
5.	List of areas in which expenditure in 4 above has been incurred:-	a. Healthcare, b. Infrastructure development and c. Education

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/Companies?	No
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	The suppliers, vendors, agents, consultants, contractors and third parties (more than 60%), who have business relationships with the Company, are contractually bound to abide by the Code of Conduct, Whistle Blower Policy and performance standards. The details of the helpline is communicated to them and issues raised are independently reviewed and/or investigated if appropriate and presented to the Audit Committee along with action plans. Through this platform, they participate in the Business Responsibility initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR policy/policies

No.	Particulars	Details
1.	DIN Number	02362633
2.	Name	Mr. Desh Deepak Khetrpal
3.	Designation	Managing Director & CEO

(b) Details of the BR head

No.	Particulars	Details
1.	DIN Number (if applicable)	N.A.
2.	Name	Mr. Soumitra Bhattacharyya
3.	Designation	Chief Financial Officer
4.	Telephone number	040-23688788
5.	E-mail id	soumitro.bhattacharyya@orientcement.com

2. Principle-wise (as per NVGs) BR Policy/ policies (Reply in Y/N):

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:-

P1 –Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 - Businesses should promote the well-being of all employees.

P4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5 - Businesses should respect and promote human rights.

P6 - Businesses should respect, protect and make efforts to restore the environment.

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 - Businesses should support inclusive growth and equitable development.

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for.....	Y	Y Note-1	Y	Y	Y	Y		Y	
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y		Y	
3.	Does the policy conform to any national/ international standards? If yes, specify? (50 words)	Y	Y Note-2	Y	Y Note-3	Y	Y		Y Note-4	
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Note-5	-	N	Y	N	N		Y	
5.	Does the Company have a specified committee of Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Note-7	Y	Note 8
6.	Indicate the link for the policy to be viewed online?	*	**	-	#	##	***		#	
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y		Y	
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y		Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y		Y	
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y Note 6	Y	N	Y	Y	Y		Y	

If answer to Sr. No. 1 against any principle is 'No', please explain why (tick up to 2 options)

1. The Company has not understood the principles.
2. The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.
3. The Company does not have financial or manpower resources available for the task.
4. It is planned to be done with in next six months.
5. It is planned to be done with in next one year.
6. Any other reason.

*<http://www.orientcement.com/wp-content/themes/orient/assets/pdfs/Acrobat-Document.pdf>

**<http://www.orientcement.com/sustainability/>

<https://www.orientcement.com/wp-content/uploads/2021/05/corporate-social-responsibility-policy.pdf>

<http://www.orientcement.com/wp-content/uploads/2018/03/OCL-Human-Rights-Policy.pdf>

***<http://www.orientcement.com/sustainability/>

Note-1:- The policy is embedded in the Company's quality and environment policies which inter alia, relate to safe and sustainable products.

Note-2:- Bureau of Indian Standards (BIS)

Note-3:- The policy conforms to guidelines of Companies Act, 2013. In addition, the Policy is also in conformity with the Sustainable Development Goals.

Note-4:- The policy conforms to guidelines of Companies Act, 2013. In addition, the Policy is also in conformity with the Sustainable Development Goals.

Note-5:- The Code of Conduct for Directors and Senior Management and the Whistle Blower Policy of the Company are approved by the Board of Directors of the Company and are signed by the Managing Director & CEO of the Company.

Note-6:- Compliance reports from designated employees are evaluated by the Internal Auditors and are placed before the Audit Committee for review.

Note-7:- The need for a formal policy was not identified.

Note-8:- The need for a formal policy was not identified. However, the Company has a systematic process for assessing customer needs. It also has a customer complaint redressal system.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The Managing Director & CEO of the Company assesses the BR performance of the Company on a quarterly basis. This Report forms part of the Annual Report and is placed before the Board of Directors for approval.
(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company will publish the Business Responsibility Report in accordance with SEBI guidelines and it will form part of the Annual Report. The Report is available on the Company's website: www.orientcement.com and will be published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE**Principle 1- ETHICS, TRANSPARENCY AND ACCOUNTABILITY****1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/ NGOs/ Others?**

The policy relating to ethics and prevention of bribery and corruption is embedded in the Company's Codes of Conduct (Code of Conduct for Employees, Code of Conduct for Directors and Senior Management and Supplier Code of Conduct), Whistle Blower Policy, HR policies and various HR practices. The provisions of these Codes and the Whistle Blower Policy are a mandatory condition for the award of any contract as well as initiating or maintaining a business relationship with Orient Cement.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the financial year 2020-21, the Company received total of 9 complaints related to corruption out of which 6 complaints were closed due to lack of conclusive evidence. Rest 3 complaints were successfully resolved during the year as on March 31, 2021 through appropriate grievance redressal mechanisms.

Apart from this, the Company received 24 queries/complaints from the shareholders of the Company, mainly on account of non-receipt of annual report, non-receipt of dividend, non-receipt of share certificates, etc. during the financial year 2020-21, which were resolved during the year. No complaint was pending from previous financial year.

Principle 2- SUSTAINABILITY IN LIFE-CYCLE OF PRODUCT AND SERVICES

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

Orient Cement manufactures mainly two principal products i.e., Ordinary Portland Cement (OPC) and Pozzolana Portland Cement (PPC). Further, under OPC, two grades are manufactured viz 43 and 53 and under Pozzolana Portland Cement, ordinary PPC and StrongCrete are being produced and marketed in all locations. (both the PPC products come under the purview of blended cements)

As responsible corporate, Orient Cement believes in the efficient utilization and conservation of all-natural resources. The Company is committed to sustainable development and understands its obligations relating to social and environmental concerns. The Company continually seeks ways to conserve the environment and manage finite resources responsibly.

All the Plants and offices of the Company adhere to ISO 45001:2018 Management system and follow stringent safety protocols that has prevented fatality across all locations since two years. Maintenance of Continuous Emission Monitoring System ("CEMS") has been ensured for all the major stacks at its cement plants and Captive Power Plants (CPP). Air Quality Monitoring System is in place for regular assessment of ambient air quality emission measurement.

Efforts were made towards implementation of energy conservation initiatives such as progressive replacements with energy efficient equipment, optimisation of process parameters, minimizing waste of limestone mined which have been implemented across all plants. Such initiatives contribute towards sustainable reduction of GHG emissions. Consequently, our overall energy consumption was reduced by 2.66% during FY21.

The Company continually strives towards reducing its water consumption while taking positive steps towards water conservation. Various initiatives such as rainwater harvesting pits, check dams, water storage in mined out pits were undertaken to augment water tables and support the local biodiversity. The water positive score improved to 3.27 times during FY2021 as compared with 1.91 times in FY2020.

Financial Year	Water credit (Kilo Litre)	Water debit (Kilo Litre)	Water Positive
2019-20	2881526.314	1507507.54	1.91
2020-21	4876401.943	1489163.18	3.27

2. For each such product, provide the details in respect of resource use (energy, water, raw material etc.), reduction during sourcing/production/distribution achieved since the previous year throughout the value chain and reduction during usage by consumers (energy, water) achieved since the previous year?

The Company is putting continuous efforts towards improving resource efficiency, conservation of electrical and thermal

energy, water conservation and upkeep of equipment conditions. We are closely working on enhancing both capacity and capability to co-process waste materials as substitutes for fossil fuels to reduce our carbon footprint and promote a circular economy. During FY 2021, the clinker conversion factor has been reduced by 1.34% over FY 2020.

Clinker to cement conversion ratio	FY20	FY21	%
Clinker factor/ton cement	0.7538	0.7437	-1.34%

The Company's relentless focus on improving its operating efficiencies has helped to progress towards being among the lowest specific thermal and electrical energy power consumption in the industry in keeping with "best in class" manufacturing practices.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

The Company's integrated plants are situated close to limestone mines which helps to minimize transportation cost and deploys sustainable mining practices. The Company utilizes waste products such as chemical gypsum (an industrial waste) and flyash (waste of thermal power plant) in manufacture of Ordinary and Pozzolana Portland cement.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company promotes and encourages local and small vendors/producers proximal to our manufacturing facilities to provide a variety of services - AMC's, housekeeping, transportation, horticulture, and other similar services. The Company also fosters and develops small suppliers for procurement of goods, fabricated items and technical services. Ongoing training is imparted to improve technical competencies, enhance skills and improve industrial safety awareness to the local community and the eco-system of small suppliers to improve capability and reach.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).

The Company utilizes complete quantity of flyash which is generated in captive power plant and chemical gypsum (an industrial waste) for the manufacture of PPC and OPC. The Company also consumes rice husk (waste material), hazardous waste, carbon black, plastic waste, etc., as an alternate fuel in the manufacturing process to substitute fossil fuels.

In addition to the above, the Company has installed several bag filters at various transfer points, bag house for main

stacks and Electrostatic Precipitator (ESP) for cooler and CPP stack for trapping the dust passing through the chimney. This dust so captured is collected in the hopper from which it is recirculated/ recycled back to the raw meal process.

We have a sewage treatment plant, and the treated water is used for dust suppression and horticulture purpose.

Principle 3 - EMPLOYEE WELL-BEING

1. Number of employees

The Company has total 1204 permanent employees including wage board staff and workmen.

2. Number of employees hired on temporary/ contractual/ casual basis

3237 workers were hired on a temporary/contractual/casual basis.

3. Number of permanent women employees

There are 32 women employees in the management staff and 11 women employees as Wage Board/permanent workers.

4. Number of permanent employees with disabilities

3 permanent employees with disabilities are part of the organization.

5. Employee association that is recognized by management

The Wageboard Workmen Union at Devapur is recognized by the management.

6. Percentage of permanent employees that are members of this recognized employee association

All the permanent workmen at Devapur are members of the recognized employee association (100% of permanent workmen in Devapur).

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

No.	Category	No. of complaints at the beginning of the financial year	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
a.	Child labour/ forced labour/ involuntary labour	Nil	Nil	Nil
b.	Sexual harassment	Nil	1	Nil
c.	Discriminatory employment	Nil	Nil	Nil

8. What percentage of your under-mentioned employees were given safety and skill up-gradation training in the last year?

a.	Permanent Employees	100%
b.	Permanent Women Employees	100%
c.	Casual/Temporary/Contractual Employees	100%
d.	Employees with disabilities	100%

Orient Cement undertakes significant efforts to enhance its workforce skills levels through various learning and development programs. Various trainings provided to the employees include functional as well as health, safety and environment trainings. Basic safety induction and training is given to employees at the plants upon their induction into the Company. Further, at the manufacturing locations, specific safety trainings are provided to employees, including the temporary and contractual workforce, based on their job profiles.

Principle 4- STAKEHOLDER ENGAGEMENT

1. Has the Company mapped its internal and external stakeholders?

Yes, the Company has mapped its internal and external stakeholders. The major stakeholders identified and classified are:-

- Employees
- Customers
- Shareholders
- Local Communities
- Business partners/ Contractors/ Vendors
- Contract workers
- Project affected population
- Land contributors
- Government Bodies

- Industry Regulators
- Media and Industry Associations

For Orient Cement, maintaining relationship with stakeholders is a business imperative as our business revolves around our stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, Orient Cement has identified the disadvantaged, vulnerable and marginalized stakeholders in its area of operations. These include among others, project affected people, land contributors and local residents.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide the details thereof, in about 50 words or so.

Orient Cement has paid due attention towards disadvantaged, vulnerable and marginalized stakeholders. Orient Cement puts a conscious effort to engage with such stakeholders, identify their needs/concerns and address them in a phased manner. Based on the needs identified, several initiatives, such as health care, education, skill development, infrastructure development, safe drinking water and sanitation, sustainable livelihood etc. are extended to disadvantaged, vulnerable and marginalized stakeholders and to the people living near the Company's manufacturing units. To achieve the same, we have a well-established CSR policy.

Principle 5- PROMOTION OF HUMAN RIGHTS

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/Others?

The Company has adopted Human Rights Policy to uphold human rights within our organisational capacity and we continue to make our contractor, customers, suppliers, etc. aware of human rights-related issues.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There were no complaints received regarding breach of human rights during the reporting period.

Principle 6- ENVIRONMENTAL PROTECTION

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/Suppliers/ Contractors/ NGOs/others.

The scope of Orient Cement's Supplier Code of Conduct (containing all policies and compliances based on internal and government laws related to environment, health and safety) is mandated for entire value chain and is communicated to all vendors, agents, consultants, contractors and any other third party, who have a business relationship with Orient Cement during the negotiation itself.

2. Does the Company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes, Orient Cement firmly believes on three pillars of Sustainability - Economic, Social and Environmental. It understands that they are critical to the well-being of our planet and to human development. We have a pro-active approach towards addressing global environmental issues such as climate change and measures were taken to improve water positivity, reduce carbon footprint and address natural resource management. During the financial year a water accounting verification audit was conducted internally for all the plants. Based on water credit and debit assertions, the organization came out as water positive.

We consciously aim to mitigate environmental impacts due to our business operations and take necessary precautions wherever we anticipate that our actions might cause harm to environment. The Company has made commitments towards achievement of cement sector SDGs as a member of Global Cement and Concrete Association (GCCA).

3. Does the Company identify and assess potential environmental risks? Y/N

Yes, the Company has a mechanism to identify and assess potential environment risks in its plants. In accordance with the same, the Company has taken up following initiatives across all its plants at three locations i.e. Devapur, Chittapur and Jalgaon:

- i. Implementation of Environment Management practices ISO 14001:2015 standards; environment and safety management programs are taken up on continuous basis.
- ii. Adherence to upgraded and robust Occupational Health and Safety Management System - ISO 45001:2018.
- iii. Identification of critical environmental risk as part of Company's risk identification and mitigation exercise.
- iv. Continuously takes steps towards improving resource efficiency, optimizing energy consumption, utilizing waste in production processes and enhancing the usage of alternative fuel and raw materials.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No, however our Devapur and Chittapur cement plants are equipped with latest technologies & energy efficient equipment's, cross belt analysers in the limestone and raw material feeding circuit for optimum utilisation of natural resources.

Orient Cement is active in managing its GHG emissions. The Company is utilising power plant waste i.e. fly ash to manufacture PPC and OPC as much as possible and system is designed for the same with one of the best and most accurate feeding systems. The Company uses AFR such as rice husk, carbon black, plastic and pharma waste and more recently hazardous waste.

5. Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, Orient Cement is continuously identifying and implementing various initiatives towards improving the process efficiency, energy efficiency (electrical and thermal), pollution control measures, clean and green technology, and renewable energy area. Some of these include: -

- a) Identification, implementation and monitoring of the energy efficiency initiatives across the plants and the continuous upkeep of its equipment. Please refer to Annexure 6 of the Directors' Report of the Annual Report for conservation of energy initiatives. The same is also available on Company's website: www.orientcement.com.
- b) Our focus on improving operating efficiencies has led to the Company having one of the lowest specific power and thermal consumption in the industry. During the FY2020-21, 13.09% of the total power consumed at the Chittapur plant was renewable energy purchased from multiple generators. Also, during the said financial year, the Company has entered into a joint venture with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited for setting up a solar power plant with capacity of 13.5 MWdc / 9 MWac, under Captive Scheme in Maharashtra. The said arrangement would supply solar power to the Company's Jalgaon Plant.
- c) Process optimization studies on a regular basis, identification of gaps and initiating specific projects to improve process efficiency. These activities have resulted in improved performance.
- d) 100% utilization of flyash generated from Captive power plant being consumed and the balance procured from proximal thermal power plants. The Company utilizes chemical gypsum (an industrial waste) for the manufacture of cement.
- e) The Company uses biomass – rice husk (waste material), hazardous waste, carbon black, plastic waste, tuar husk, cotton stalk as a replacement of the fossil fuel/ coal. We are incorporating low grade limestone subject to our strict quality control parameters as a part of our commitment towards natural resource conservation positively impacting carbon footprint.
- f) Various initiatives on water conservation include construction of check dams and rainwater harvesting system in our plants. Water reservoirs are maintained at Devapur and Chittapur plants for collection of rainwater during the monsoon season. It has recharged the nearby ground water table. Roof top harvesting pits have been constructed across the colony residential quarters to collect rainwater and recharge the water table. Many bird species can be seen in the area taking advantage of the habitat to forage, nest and roost in the surrounding vegetation. A variety of fish in the water reservoir help in maintaining an aquatic ecosystem.

- g) All the raw materials and fuels are stored in complete covered storage shed to prevent dust emission and leaching due to rainwater, which reduce the impacts on environment as well as reduces the energy utilisation.
- h) The Company has a sewage treatment plant, a water treatment plant and neutralization pit to treat wastewater generated at various plants.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the emissions/ waste generated by the Company are within the permissible limits as prescribed by CPCB/ SPCBs and same are reported.

7. Number of show cause/legal notices received from CPCB/ SPCB which is pending (i.e. not resolved to satisfaction) as on end of financial year.

No show cause/ legal notice from CPCB/ SPCB have been received by any of the Orient Cement's manufacturing plants during the financial year.

Principle 7- RESPONSIBLE PUBLIC POLICY ADVOCACY

1. Is your Company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with.

The Company is member of Cement Manufacturers Association. The Company had also joined the Cement Sustainability Initiative (CSI), under the aegis of the World Business Council for Sustainable Development (WBCSD). After the formation of Global Cement and Concrete Association (GCCA), who then took over the Sustainability Initiatives from CSI, the Company has joined GCCA in its commitment to pursue the sustainability agenda. Besides, the Company is also a member of National Human Resource Development (NHRD), Employer's Federation of Southern India (EFI) and National Safety Council (NSC).

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the broad areas are Economic Reforms, Environment and Energy issues and Sustainable Business Principles.

Principle 8- INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

1. Does the Company have specified program/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

We have a well-established policy framework, with the objective of being a good corporate citizen by helping communities and being instrumental in supporting their progress, which reflects our objective of socio-economic development to create a positive impact in our neighboring communities.

The Company has specific programs/ initiatives/ projects in pursuance of its CSR objectives. The Company has adopted a CSR policy which has been aligned with the requirements of the Companies Act, 2013 and our thrust areas are well aligned to the schedule VII of section 135 of the Companies Act, 2013. The Company has carried out CSR Programs in pursuance of inclusive development, primarily focusing on education, infrastructure development and healthcare support. Additional funds were committed for fighting COVID-19 pandemic and support was provided to the neighboring villages and community at large. Orient Cement's presence has resulted in notable economic improvement of the areas where it has its manufacturing plants. Apart from numerous business opportunities that Orient Cement creates for the local vendors/ suppliers, Orient also undertakes multiple CSR initiative for the local communities, which has improved the quality of life of local residents.

The Company has carried out several CSR activities towards community development which are broadly categorized into following heads:

1. Promoting education
2. Promoting preventive health care
3. Eradicating hunger, poverty and malnutrition
4. Promoting sanitation
5. Promoting rural development projects
6. Contributing towards socio economic development and relief funds for fighting Covid-19 pandemic

2. Are the programs/ projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organization?

Orient Cement has a Board level CSR Committee constituted under the Companies Act, 2013 which assists the Board in discharging social responsibilities. Under the framework of its CSR Policy and the Board's guidance, the Company undertakes social programs/ projects on an ongoing basis.

3. Have you done any impact assessment of your initiative?

The Company monitors the impact of its CSR initiatives on an ongoing basis and has noted positive outcomes and benefits for the communities around its plant locations.

During financial year 2020-21, the Company has, like in previous years, made significant contributions in providing education and healthcare support in the vicinity of its plants. The school run by the Company in Devapur has on an average over 1500 students with the option of English and Telugu medium. It has significantly impacted the quality of life of the villagers in the vicinity. During the Covid-19 pandemic time, the classes were carried out online to maintain continuity and progress the education process. Efforts were made to focus on education at Chittapur plant in our English medium CBSE Board school, established in 2018, wherein around 290 students are enrolled upto 7th Standard.

Few of our other initiatives in this direction include:

- In the area of women empowerment, we have conducted following programs at villages in and around our

Chittapur Plant (1) Computer education to high school and college girls wherein about 69 members were benefited (2) Formed Self Help Groups (SHG) for training and supporting the members to maintain books of accounts, understand the concept of SHG. (3) Functional literacy programs to enable women recognize the alphabets and numbers (4) Fashion designing and tailoring to enable the women to earn a sustainable livelihood to support the family. Besides, gardening and landscape maintenance techniques were provided to women labors who work with our approved contractors.

- Solar light assembly program was carried out for the village community at Chittapur, to train the young people of the village to assemble solar light panels and to take care of solar light equipment.
- In the area of education, cheques were distributed to meritorious students of std. 7th, 8th and 10th of the government schools who scored the highest marks in their respective classes. Chairs, tables, utensils, mind games, toys, etc. were distributed to 16 Anganwadi school teachers and children in 5 villages of Chittapur taluka.
- In the area of socio-economic development for fighting Covid-19 pandemic, health talks with specialized doctors were regularly organized that benefited our team members, their families, people from the vicinity / society. Few activities, like awareness programs, generously donating to the state government/administration, making contribution to PM CARES Fund and District Collector-Mancherial Relief Fund COVID -19, distribution of cooked food packets, PPE kits, masks, sanitizers, etc. to poor villagers and migrant workers, were done to facilitate and uplift the covid related infrastructure facilities.
- To eradicate poverty and malnutrition in tribal community in and around Devapur, we contributed financially to Vanavasi Kalyan Parishad; similar initiatives to reduce malnutrition in children were also taken up at Chittapur in the name of Shishu Ahar. Grocery and food distribution to the needy around our plants was done during the lockdown period and large number have been benefitted from this initiative during the pandemic period.
- In the area of preventive health care, the Company has five full time doctors including three lady doctors in the dispensary at Devapur and Chittapur along with experienced nursing staff to treat people from the nearby villages. All the medical facilities were refurbished at our local plants to cater to the difficult health situation during the Covid-19 pandemic. Preventive health care programs at the ESIC hospital at Devapur were also conducted.
- **Health Awareness Program:** We have organized health awareness programs in association with various medical associations and doctors at individual level.
- **Swachchhata Abhiyan:** This program aims at creating awareness among the community regarding the importance of cleanliness and to keep the surrounding clean and tidy. To sustain the cleanliness, organized

programs on personal hygiene and sanitization for girls in Gurukul tribal schools in Devapur and at government schools in and around Chittapur.

- To promote and support hygiene and sanitation we maintain a sulabh complex at Devapur and also create awareness on the hygiene aspects in the community of the nearby villagers.
- **Teachers' Development Training** - Initiatives were taken to organize training programs for school teachers for the subject of Mathematics through external faculty and Desktop computers and printers were gifted to the ZPH government school at Devapur.
- Various activities that lead to rural development were undertaken like creation of water pits, community development centers, creation and development of Dhyana Kendra, road repairs in Devapur and surrounding villages.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the year under review, the Company has spent an amount of ₹ 1019.20 lacs (including ₹ 193.67 lacs towards rehabilitation and resettlement obligations of Chittapur) on community development projects. The details of the amount incurred and areas covered are given in question 1 above and in Annual Report on Corporate Social Responsibility Activities i.e. Annexure-4 to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.

Orient Cement takes initiatives based on the needs of the community in a consultative approach. Orient Cement conducts consistent engagement and interaction with the community to ensure that the initiatives undertaken are successfully implemented and addresses the specific needs of the community. This continuous engagement with the communities allows better acceptance and adaptation of the initiatives. We are further focusing on the skill enhancement so that the youth are employable through various programs.

Principle 9 – PROVIDING VALUE TO CUSTOMERS

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Redressal of customer complaints are taken on priority basis which are guided through set standard operating procedures for quick and effective resolution. Technical support number is provided on product packaging along with e-mail and web site address where customer can look forward in reaching the support team for any assistance and issues faced by him for a satisfactory resolution.

During the financial year ended March 31, 2021, 136 complaints were received across the region, out of which 134 complaints have been resolved and closed and 2 complaints are under resolution.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Latest BIS guidelines are followed in displaying the product information and other statutory details in the packaging of cement bags. BIS approvals are taken from time to time in making any amendments in the product information and packaging artwork.

Below marketing related information is also included:

- Name and logo of the brand (1. *Birla.A1 Premium Cement* and 2. *Birla.A1 StrongCrete Cement*), Company (Orient Cement), Group (CK Birla),
- Various certifications obtained - ISO 9001, ISO 14001, ISO 45001, ISO 50001. TPM Company
- Marketing communication related information - Product tagline - "Mazbooti mein A1. Bharose mein A1" and PST (Pressure Sustaining Technology) and The Forever Cement.

The Company's website, www.orientcement.com, provides information about its products benefits.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

There is no case against Orient Cement during last five years, relating to unfair trade practices, irresponsible advertising and/or anti-competitive behavior pending as at the end of the financial year.

4. Did your Company carry out any consumer survey/consumer satisfaction trends?

The Company conducts consumer survey from time to time which acts as a source to obtain information about consumer satisfaction levels with existing products and their opinions and expectations regarding new products and services. However, due to Covid-19 lockdown no such survey was undertaken during FY21.

By order of the Board of Directors
For Orient Cement Limited

D.D. Khetrapal

Managing Director & CEO
(DIN 02362633)

Place: New Delhi
Date: May 17, 2021

Independent Auditor's Report

To
The Members of **Orient Cement Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Orient Cement Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained

is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 50 to the Ind AS financial statements, which describes the impact of COVID 19 pandemic on the Company's operations and results as assessed by the management. The extent to which COVID 19 pandemic will have an impact on the Company's performance is dependent on future developments, which are uncertain. The actual results may differ from estimates depending on such future developments. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
<p>Revenue from sale of goods (as described in note 2.1 (i) to the Ind AS financial statements)</p> <p>The Company recognizes revenues from sale of goods when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales consideration, the Company considers the effects of rebates and discounts (variable consideration). The Company's Statement of Profit and Loss for the year ended March 31, 2021, included Sales of ₹232,408.70 lacs. The terms of sales arrangements, including the timing of transfer of control, the nature of discount and rebates arrangements and delivery specifications, create complexity and judgment in revenue recognition.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Evaluated the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'; • Assessed the design and tested the operating effectiveness of internal controls related to sales and related rebates and discounts; • Performed sample tests of individual sales transaction and traced to underlying sales invoices, sales orders and / or other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements;

Key audit matters	How our audit addressed the key audit matter
<p>The risk is, therefore, that revenue is not recognised in accordance with Ind AS 115 'Revenue from contracts with customers,' and accordingly, it was determined to be a key audit matter in our audit of the Ind AS financial statements.</p>	<ul style="list-style-type: none"> Selected samples of sales transactions made pre-and post-year end, and agreed the period of revenue recognition to underlying documents; Obtained details of all the rebate and discount schemes (variable consideration) rolled out by the Company. Selected samples of rebates and discounts during the year, compared them with the supporting documents and performed re-calculation of those variable considerations as per scheme documents. Assessed the adequacy of relevant disclosures made within the Ind AS financial statements.
<p>Pending litigations including litigation for electricity duty (as described in Note 40 to the Ind AS financial statements)</p>	
<p>A number of claims and litigations mainly related to direct and indirect taxes are pending before various authorities while the matter related to electricity duty is pending with the Supreme Court. The assessment of the likelihood and quantum of any liability in respect of these matters can be judgmental due to the uncertainty about the outcome.</p> <p>This area is significant to our audit, since the amounts involved are material to the Ind AS financial statements and involves estimation of outcome.</p> <p>In view of the above we have identified pending litigations as a key audit matter</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understood and assessed the internal control relating to the identification, recognition and measurement of provisions for disputes, potential claims and litigation, and contingent liabilities; Read through the legal opinion obtained by the Company on the possible outcome of litigation relating to the Electricity duty matter from legal counsel; Analysed responses obtained from the Company's tax advisors who deal with the court cases, tax and administrative proceedings, in which their status and possible expected outcome of proceeding were described; Obtained specialist's support to assess and evaluate the impact of new developments in existing cases and changes in judicial pronouncements, if any, during the year Held discussions with specialists related to material ongoing tax proceedings; and, Assessed the management's assumptions and estimates related to the recognized provisions for disputes and disclosures of contingent liabilities in the Ind AS financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent

with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read

with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS 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 Company's ability 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2021 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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 40 to the Ind AS financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Place of Signature: Kolkata

Date: May 17, 2021

Membership Number: 060352

UDIN: 21060352AAAABK6206

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ORIENT CEMENT LIMITED

Report on the Companies (Auditor's report) Order, 2016 ('the Order') under sub-section (11) of section 143 of the Act

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Majority of fixed assets have been physically verified by the management during the year. There is a regular programme of verification once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company 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 the manufacture of cement, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding in respect of income-tax, sales-tax, service tax, goods and service tax, duty of custom, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lacs)	Period to which the amount relates (Financial Year)	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty and Penalty	565.14	Apr-2003 to Jul-2009	Telangana High Court
Customs Act, 1962	Customs and Penalty	84.35	Jul-2012 & Nov-2012	Commissioner
Customs Act, 1962	Customs and Penalty	15.24 [§]	2014-15	Deputy Commissioner
A.P. Sales Tax & Central Sales Tax Act, 1956	Sales Tax and CST	169.16 [®]	1990-91, 1993-2002, 2004-05	Commissioner / Appellate Dy. Commissioner / Sales Tax Appellate Tribunal / Telangana High Court
Tamil Nadu / Karnataka / Maharashtra VAT Act	VAT and Penalty	53.82	1996-97, 2004-05 & 2008-09	Joint Commissioner / Assistant Commissioner
Income Tax Act, 1961	Income Tax, Interest and Penalty	1,038.19	2013-14, 2015-16 to 2017-18	Commissioner (Appeals)

[§] net of amounts paid under protest amounting to ₹ 1.23 lacs

[®] net of amounts paid under protest amounting to ₹ 175.79 lacs

- (viii) According to the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans and borrowings dues to banks and government. The Company did not have any outstanding dues in respect of debenture holders and on account of loans and borrowings in respect of financial institutions during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Membership Number: 060352

UDIN: 21060352AAAABK6206

Place of Signature: Kolkata

Date: May 17, 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ORIENT CEMENT LIMITED

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

We have audited the internal financial controls over financial reporting of Orient Cement Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Ind AS 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 over financial reporting with reference to these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to

these Ind AS 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

A company's internal financial control over financial reporting with reference to these Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Ind AS 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 Ind AS 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS 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 over financial reporting with reference to these Ind AS financial statements to

future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS 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, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS financial statements and such internal financial controls over financial reporting with reference to these Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria

established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Partner

Place of Signature: Kolkata

Date: May 17, 2021

Membership Number: 060352

UDIN: 21060352AAAABK6206

Balance Sheet

as at 31st March 2021

(₹ in Lacs)

Particulars	Note	31st March 2021	31st March 2020
I) ASSETS			
1) NON-CURRENT ASSETS			
a) Property, plant and equipment	3	2,14,599.72	2,20,981.95
b) Capital work-in-progress		4,127.70	6,676.09
c) Intangible assets	4	6,005.66	5,835.85
d) Right of Use Assets	5	125.01	334.61
e) Financial assets			
(i) Loans and Deposits	6	1,240.40	1,237.97
(ii) Other financial assets	7	2,878.68	2,794.33
f) Income tax assets (net)	8	590.34	691.28
g) Other assets	9	3,095.92	2,954.62
	(A)	2,32,663.43	2,41,506.70
2) CURRENT ASSETS			
a) Inventories	10	17,053.42	23,661.40
b) Financial assets			
(i) Trade receivables	11	11,017.59	16,178.49
(ii) Cash and cash equivalents	12	3,507.40	3,470.05
(iii) Bank balances other than (ii) above	13	108.59	132.25
(iv) Investments	14	11,507.03	-
(v) Loans and Deposits	6	9.33	8.86
(vi) Other financial assets	7	1,742.29	1,713.17
c) Other assets	9	3,596.76	3,308.31
	(B)	48,542.41	48,472.53
	TOTAL ASSETS (A)+(B)	2,81,205.84	2,89,979.23
II) EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	15	2,048.69	2,048.69
b) Other Equity	16	1,28,541.89	1,09,788.21
	TOTAL EQUITY (C)	1,30,590.58	1,11,836.90
LIABILITIES			
2) NON-CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Borrowings	17	78,383.81	1,13,539.13
(ii) Other financial liabilities	18	-	134.18
b) Provisions	19	5,715.93	3,993.21
c) Deferred tax liabilities (net)	20	18,110.54	12,192.19
	(D)	1,02,210.28	1,29,858.71
3) CURRENT LIABILITIES			
a) Contract Liabilities	21	3,545.04	2,676.70
b) Financial Liabilities			
(i) Borrowings	17	-	26.00
(ii) Trade Payables	22		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		406.50	168.24
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		18,038.02	17,466.96
(iii) Other financial liabilities	23	14,385.61	20,178.76
c) Other liabilities	24	8,716.43	3,543.76
d) Provisions	19	3,313.38	4,185.98
e) Current tax liabilities (net)	25	-	37.22
	(E)	48,404.98	48,283.62
	TOTAL LIABILITIES (F) = (D)+(E)	1,50,615.26	1,78,142.33
	TOTAL EQUITY AND LIABILITIES (C)+(F)	2,81,205.84	2,89,979.23
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**
Firm registration number: 301003E/E300005
Chartered Accountants

per **Sanjay Kumar Agarwal**
Partner
Membership No.: 060352

Place: Kolkata
Date: 17th May 2021

For and on behalf of Board of Directors

CK. Birla
Chairman
(DIN 00118473)
Place: London

S. Bhattacharyya
Chief Financial Officer
(FCA 059004)
Place: Hyderabad

D.D. Khetrpal
Managing Director & CEO
(DIN 02362633)
Place: New Delhi

N. Bisaria
Company Secretary
(FCS 5634)
Place: Ghaziabad

Statement of Profit and Loss

for the year ended 31st March 2021

(₹ in Lacs)

Particulars	Note	31st March 2021	31st March 2020
I) INCOME			
Revenue from operations	26	2,32,408.70	2,42,179.72
Other income	27	1,834.89	1,772.07
Total income (I)		2,34,243.59	2,43,951.79
II) EXPENSES			
Cost of raw materials consumed	28	30,422.56	35,572.14
(Increase)/Decrease in inventories of finished goods and work in progress	29	2,052.08	(3,489.27)
Employee benefits expense	30	15,253.66	15,486.12
Power and Fuel		45,063.47	59,139.41
Packing, Freight & Forwarding Charges		60,887.44	69,343.30
Finance costs	31	9,357.19	12,232.05
Depreciation and amortisation expenses	32	14,185.44	14,087.49
Other expenses	33	23,661.29	27,840.68
Total expenses (II)		2,00,883.13	2,30,211.92
III) Profit before tax (I)-(II)		33,360.46	13,739.87
IV) Tax Expense	20		
(1) Current Tax		5,857.03	2,393.03
(2) Adjustment of tax relating to earlier periods		110.71	-
(3) MAT Credit Entitlement		(5,857.03)	(2,393.03)
(4) Deferred Tax Charge		11,831.22	5,080.90
		11,941.93	5,080.90
V) Profit for the year (III)-(IV)		21,418.53	8,658.97
VI) Other Comprehensive Income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-Measurement losses on defined benefit plans		(159.82)	(299.71)
Income tax effect		55.84	104.73
Other Comprehensive Income (net of tax)		(103.98)	(194.98)
VII) Total Comprehensive Income for the year (V)+(VI)		21,314.55	8,463.99
Earnings per share:	34		
(1) Basic (₹)		10.45	4.23
(2) Diluted (₹)		10.45	4.23
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**

Firm registration number:301003E/E300005

Chartered Accountants

per **Sanjay Kumar Agarwal**

Partner

Membership No.: 060352

Place: Kolkata

Date: 17th May 2021

For and on behalf of Board of Directors

CK. Birla

Chairman
(DIN 00118473)
Place: London

S. Bhattacharyya

Chief Financial Officer
(FCA 059004)
Place: Hyderabad

D.D. Khetrapal

Managing Director & CEO
(DIN 02362633)
Place: New Delhi

N. Bisaria

Company Secretary
(FCS 5634)
Place: Ghaziabad

Cash Flow Statement

for the year ended 31st March 2021

(₹ in Lacs)

Particulars	Note	31st March 2021	31st March 2020
(A) OPERATING ACTIVITIES :			
Profit before tax		33,360.46	13,739.87
Adjustments to reconcile profit before tax to net cash flows :			
Depreciation and amortisation expense		14,185.44	14,087.49
Finance costs (net of interest capitalisation of ₹ 140.90 lacs) (31st March 2020 ₹ 207.86 lacs)		9,357.19	12,232.05
(Profit)/Loss on sale/discard of Property, plant and equipment (net)		11.08	(7.98)
Bad debts / advances written off (net of reversals)		204.97	4.20
Provision for doubtful debts, advances & other receivables		219.76	12.95
Unspent liabilities and unclaimed balances adjusted		(1,153.41)	(896.43)
Profit on sale and fair valuation of Investments in Mutual Fund (net)		(177.67)	(15.61)
Employee stock option reversal		-	(125.35)
Unrealised (gain)/loss on Exchange Rate Fluctuations (net)		(0.93)	9.53
Interest Income on loans, deposits, others		(325.95)	(450.98)
Working Capital Adjustments :			
Increase/(Decrease) in trade payable and other liabilities		10,075.13	(4,513.52)
Increase in provisions		629.08	164.00
Decrease/(Increase) in inventories		6,607.98	(5,064.63)
Decrease in trade receivables and other assets		4,316.11	3,074.54
CASH GENERATED FROM OPERATIONS:		77,309.24	32,250.13
Income tax paid		(5,904.02)	(3,073.31)
NET CASH FLOWS FROM OPERATING ACTIVITIES		71,405.22	29,176.82
(B) INVESTING ACTIVITIES :			
Purchase of Property, plant and equipment and Intangibles (including capital work-in-progress)		(5,100.07)	(7,707.05)
Proceeds from sale of Property, plant and equipment		32.89	42.16
Investment in Mutual Funds		(44,400.00)	(19,100.00)
Proceeds from sale of Mutual Funds		33,070.65	19,115.61
Payments for term deposits with banks		(67.09)	(173.09)
Interest Received		308.70	497.45
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(16,154.92)	(7,324.92)
(C) FINANCING ACTIVITIES :			
Repayment of long term borrowings		(43,062.84)	(5,999.52)
Movement in short term borrowings (net)		(26.00)	(427.52)
Payments of Lease Liability (Note 38)		(245.17)	(245.17)
Interest paid		(9,318.08)	(12,061.40)
Dividends Paid (including dividend distribution tax)		(2,560.86)	(1,852.36)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(55,212.95)	(20,585.97)
NET INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)		37.35	1,265.93
Cash & cash equivalents at the beginning of the year	12	3,470.05	2,204.12
Cash & cash equivalents at the end of the year	12	3,507.40	3,470.05
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For **S.R. Batliboi & Co. LLP**

Firm registration number:301003E/E300005

Chartered Accountants

per **Sanjay Kumar Agarwal**

Partner

Membership No.: 060352

Place: Kolkata

Date: 17th May 2021

For and on behalf of Board of Directors

CK. Birla

Chairman
(DIN 00118473)
Place: London

S. Bhattacharyya

Chief Financial Officer
(FCA 059004)
Place: Hyderabad

D.D. Khetrpal

Managing Director & CEO
(DIN 02362633)
Place: New Delhi

N. Bisaria

Company Secretary
(FCS 5634)
Place: Ghaziabad

Statement of Changes in Equity

for the year ended 31st March 2021

A) Equity Share Capital

Particulars	No. in Lacs	₹ in Lacs
Equity Shares of ₹1 each issued, subscribed and fully paid		
At 31st March 2020	2,048.69	2,048.69
At 31st March 2021	2,048.69	2,048.69

B) Other Equity

Particulars	Reserves and Surplus			Total
	General Reserve	Employee Stock Options Outstanding	Retained Earnings	
	(₹ in Lacs)			
As at 1st April 2019	71,056.95	1,477.18	30,767.80	1,03,301.93
Profit for the year	-	-	8,658.97	8,658.97
Lapsed during the year	-	(125.35)	-	(125.35)
Transferred to Retained Earnings*	-	(183.49)	183.49	-
Other Comprehensive Income for the year	-	-	(194.98)	(194.98)
	71,056.95	1,168.34	39,415.28	1,11,640.57
Final Dividend	-	-	1,536.52	1,536.52
Dividend Distribution Tax	-	-	315.84	315.84
As at 31st March 2020	71,056.95	1,168.34	37,562.92	1,09,788.21
Profit for the year	-	-	21,418.53	21,418.53
Other Comprehensive Income for the year	-	-	(103.98)	(103.98)
	71,056.95	1,168.34	58,877.47	1,31,102.76
Final Dividend	-	-	1,536.52	1,536.52
Interim Dividend	-	-	1,024.35	1,024.35
As at 31st March 2021	71,056.95	1,168.34	56,316.60	1,28,541.89
*in relation to options lapsed after the vesting period.				
Summary of significant account policies	Note 2.1			

The accompanying notes are an integral part of the Ind AS financial statements.

As per our report of even date

For **S.R. Battliboi & Co. LLP**

Firm registration number:301003E/E300005

Chartered Accountants

per **Sanjay Kumar Agarwal**

Partner

Membership No.: 060352

Place: Kolkata

Date: 17th May 2021

For and on behalf of Board of Directors

CK. Birla

Chairman

(DIN 00118473)

Place: London

S. Bhattacharyya

Chief Financial Officer

(FCA 059004)

Place: Hyderabad

D.D. Khetrapal

Managing Director & CEO

(DIN 02362633)

Place: New Delhi

N. Bisaria

Company Secretary

(FCS 5634)

Place: Ghaziabad

Notes to the Ind AS Financial Statements

as at and for the year ended 31st March 2021

1. Corporate information

Orient Cement Limited ("the Company") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National and Bombay Stock exchanges in India. The cement undertaking of Orient Paper & Industries Limited (OPIL) had been transferred to the Company on a going concern basis w.e.f. 1st April 2012, pursuant to the scheme of arrangement approved by the Hon'ble Orissa High Court.

The Company is primarily engaged in the manufacture and sale of Cement and its manufacturing facilities at present are located at Devapur in Telangana, Chittapur in Karnataka and Jalgaon in Maharashtra.

These Ind AS financial statements were authorised for issue in accordance with a resolution of the board of directors on 17th May 2021.

2. Basis of preparation

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 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

These Ind AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments). The Ind AS financial statements are presented in INR and all values are rounded to the nearest lacs (₹00,000), except when otherwise indicated.

2.1 Summary of significant accounting policies

(a) Property, plant and equipment (PPE)

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Land and buildings are measured at cost less accumulated depreciation on buildings and impairment losses, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of the asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Depreciation is provided under straight line basis using the estimated useful lives of the assets as follows -

Class of Asset	Useful Lives estimated by the management
Freehold Land	No depreciation except on freehold mining land. Freehold mining land is depreciation over the period of respective mining agreement.
Factory Buildings	30 years

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Class of Asset	Useful Lives estimated by the management
Non-Factory Buildings	5 to 60 years
Railway Sidings	15 years
Plant and equipment including continuous process plant	5 to 25 years
Power plant	40 years
Furniture & Fixtures	8 to 10 years
Computers	3 years
Office Equipment	5 years
Vehicles	10 years

Depreciation on property, plant and equipment added / disposed-off during the year is provided on pro-rata basis with reference to the date of addition/disposal. The management has estimated, supported by technical assessment by experts, the useful lives of certain plant and equipment as 5 to 25 years. These lives are lower than those indicated in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 recognized in the Statement of Profit and Loss when the assets is derecognized.

A summary of the policies applied to the Company's intangible assets is, as follows:

Class of Intangible Asset	Useful Lives estimated by the management	Amortisation method used
Specialized Software	3 years	Amortised on a straight-line basis over the period of Agreement
Mining Rights	10 to 50 years	Amortised on a straight-line basis over the period of Licence / Agreement (reflective of usages pattern)

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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 current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities 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 and cash equivalents. The Company has identified twelve months as its operating cycle.

(d) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (f) Impairment of non-financial assets.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Other financial liabilities (see Note 18 and Note 23).

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. 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. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is deducted while calculating carrying amount of the asset. The grant is recognised in the Statement of Profit and Loss over the life of the depreciable asset as a reduced depreciation expense.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities in respect of loans / assistances received subsequent to the date of transition.

(h) Inventories

Raw materials, fuels, stores and spares and packing materials are valued at lower of cost and net realizable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of such inventories is computed on annual weighted average basis.

Saleable scrap, whose cost is not identifiable, is valued at net realisable value.

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.

(i) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The normal credit term is 0 to 90 days upon delivery. The revenue is measured based on the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays for these goods is generally one year or less, no financing components are considered.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated.

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Generally, rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the Company applies the expected value method.

(j) Foreign currency transactions and balances

The Ind AS financial statements are presented in INR, which is the Company's functional currency. Foreign currency transactions are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency monetary items are translated using the functional currency spot rates 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 arising on the settlement or translation of monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

(k) Retirement and other employee benefits

Retirement benefit in the form of Provident Fund and Superannuation Schemes are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognizes contribution payable to the scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation done on projected unit credit method at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

The Company treats accumulated leaves 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 the actuarial valuation using the projected unit credit method at the end of each financial year. The Company presents the leave as current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement beyond 12 months after the reporting date. Where the Company has unconditional legal and contractual right to defer the settlement for the period beyond 12 months, the same is presented as non-current liability. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(l) Taxes

Income Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to or recovered from the taxation authorities. 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 relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). 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 is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is 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 asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax for the year. The Company recognizes MAT credit available as deferred tax asset only to the extent it is probable that sufficient taxable profit will be available to allow all or part of MAT credit to be utilised during the specified period, i.e., the period for which such credit is allowed to be utilised. In the year in which the Company recognises MAT credit as an asset, it is created by way of credit to the Statement of Profit and Loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

The Company is entitled to tax holiday under the Income Tax Act, 1961 enacted in India. No deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary difference originate.

(m) Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

Allocation of common costs

Common allocable costs are allocated to each segment on a case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, are included under the head "Unallocated".

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(o) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(p) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and are also used for the purpose of Cash Flow Statement, as these are considered an integral part of the Company's cash management.

(r) Employee stock options

Certain employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised, together with a corresponding increase in reserves, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

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

(s) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Subsequent measurement of financial assets is described below -

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income, subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Investment in mutual funds

Investment in mutual funds falls within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities, at fair value through profit or loss or loans and borrowings or payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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.

(t) 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 at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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:

- i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

2.2 Standards issued but not effective

There are no standards issued but not yet effective up to the date of issuance of the Company's financial statements.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

3. Property, plant and equipment

(₹ in Lacs)

Particulars	Freehold Land (a)	Factory Buildings	Non-Factory Buildings	Railway Sidings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Vehicles	Computers	Total
Cost										
At 1st April 2019	15,233.26	6,413.12	24,715.28	6,255.65	2,17,477.93	1,024.68	345.42	462.57	966.84	2,72,894.75
Additions	48.87	14.69	1,646.70	335.30	2,862.78	90.97	105.21	99.31	46.98	5,250.81
Disposals	-	-	-	-	1.89	23.47	4.86	27.60	0.09	57.91
At 31st March 2020	15,282.13	6,427.81	26,361.98	6,590.95	2,20,338.82	1,092.18	445.77	534.28	1,013.73	2,78,087.65
Additions	17.13	65.31	272.58	888.03	5,949.76	71.71	80.06	0.22	60.70	7,405.50
Disposals	-	-	-	-	53.90	21.09	8.28	-	6.10	89.37
At 31st March 2021	15,299.26	6,493.12	26,634.56	7,478.98	2,26,234.68	1,142.80	517.55	534.50	1,068.33	2,85,403.78
Depreciation										
At 1st April 2019	-	779.94	3,775.04	239.93	37,222.69	492.93	155.77	245.80	661.23	43,573.33
Charge for the year	204.46	225.48	1,512.72	405.87	10,921.34	74.23	65.80	37.74	108.46	13,556.10
Disposals	-	-	-	-	0.56	10.23	3.75	9.15	0.04	23.73
At 31st March 2020	204.46	1,005.42	5,287.76	645.80	48,143.47	556.93	217.82	274.39	769.65	57,105.70
Charge for the year	204.64	222.01	1,430.43	439.87	11,168.87	78.26	63.73	30.48	105.47	13,743.76
Disposals	-	-	-	-	19.67	14.34	6.34	-	5.05	45.40
At 31st March 2021	409.10	1,227.43	6,718.19	1,085.67	59,292.67	620.85	275.21	304.87	870.07	70,804.06
Net book value										
At 31st March 2021	14,890.16	5,265.69	19,916.37	6,393.31	1,66,942.01	521.95	242.34	229.63	198.26	2,14,599.72
At 31st March 2020	15,077.67	5,422.39	21,074.22	5,945.15	1,72,195.35	535.25	227.95	259.89	244.08	2,20,981.95

- Includes ₹ 670.07 lacs (31st March 2020: ₹ 715.39 lacs) the mutation whereof in the Company's name is pending.
- For charge created on Property, plant and equipment of the Company towards borrowings, refer Note 17.
- For Property, plant and equipment existing on 1st April 2015 i.e its date of transition to Ind AS, the Company has used previous GAAP carrying values as deemed cost. Subsequent measurement is at cost.

4. Intangible assets

(₹ in Lacs)

Particulars	Computer software	Mining Rights	Total
Cost			
At 1st April 2019	932.42	7,086.56	8,018.98
Additions	25.67	-	25.67
At 31st March 2020	958.09	7,086.56	8,044.65
Additions	38.80	363.09	401.89
At 31st March 2021	996.89	7,449.65	8,446.54
Amortisation			
At 1st April 2019	731.80	1,155.21	1,887.01
Charge for the year	110.29	211.50	321.79
At 31st March 2020	842.09	1,366.71	2,208.80
Charge for the year	87.80	144.28	232.08
At 31st March 2021	929.89	1,510.99	2,440.88
Net book value			
At 31st March 2021	67.00	5,938.66	6,005.66
At 31st March 2020	116.00	5,719.85	5,835.85

- For Intangible assets existing on 1st April 2015 i.e its date of transition to Ind AS, the Company has used previous GAAP carrying values as deemed cost. Subsequent measurement is at cost.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Notes to 3 & 4 - During the year, the Company has capitalised the following expenses to cost of Property, plant and equipment / capital work-in-progress

Particulars	(₹ in Lacs)	
	31st March, 2021	31st March, 2020
a) Pre-Operative Expenses:		
Rent & Hire Charges	0.72	-
Consultancy charges	93.05	16.82
Interest cost	140.90	207.86
Other Borrowing cost	1.81	-
Miscellaneous Expenses	0.30	2.97
	236.78	227.65
b) Add: Balance brought forward from previous year	867.28	847.49
c) Less: Allocated to Property, plant and equipment / Capital work-in-progress during the year / Charged to Statement of Profit and Loss	140.90	207.86
d) Balance pending allocation included in Capital work-in-progress (a+b-c)	963.16	867.28

5. Right of Use Assets

Particulars	(₹ in Lacs)	
	Buildings	
Cost		
At 1st April 2019		-
Additions		544.21
At 31st March 2020		544.21
Additions		-
At 31st March 2021		544.21
Depreciation		
At 1st April 2019		-
Charge for the year		209.60
At 31st March 2020		209.60
Charge for the year		209.60
At 31st March 2021		419.20
Net book value		
At 31st March 2021		125.01
At 31st March 2020		334.61

Refer Note No. 38 for the related disclosures

6. Loans and Deposits

Particulars	(₹ in Lacs)	
	31st March 2021	31st March 2020
At Amortised Cost		
Non-current		
Unsecured, considered good		
Security deposits	1,237.40	1,235.63
Loans to employees and others	3.00	2.34
	1,240.40	1,237.97
Current		
Unsecured, considered good		
Loans to employees and others	9.33	8.86
	9.33	8.86
Total Loans and Deposits	1,249.73	1,246.83

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

7. Other financial assets

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Non-current		
Deposit with original maturity for more than 12 months at amortised cost [#]	2,854.52	2,788.32
Interest accrued on loans, deposits etc.	24.16	6.01
	2,878.68	2,794.33
Current		
Interest accrued on loans, deposits etc.	78.89	79.79
Claims & other receivables*	1,675.15	1,633.38
Less: Provision for doubtful receivables	11.75	-
	1,663.40	1,633.38
	1,742.29	1,713.17
Total other financial assets	4,620.97	4,507.50

[#]Receipts for ₹ 2,854.52 lacs (31st March 2020: ₹ 2,788.32 lacs) are lodged with Government Departments/Banks as security.

*Includes ₹ 1,282.18 lacs (31st March 2020 : ₹ 1,282.18 lacs) receivable towards reimbursement of sales tax under Industrial Investment Promotion Policy (IIPP 2005-2010) Scheme of Andhra Pradesh.

8. Income tax assets (net)

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Advance payment of income tax and tax deducted at source (net of provision for taxation)	590.34	691.28
	590.34	691.28

9. Other assets

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Non-current		
Unsecured, considered good, except where otherwise stated		
Capital advances		
Considered good	211.68	169.07
Considered doubtful	43.27	43.27
	254.95	212.34
Less : Provision for doubtful advances	43.27	43.27
	211.68	169.07
Trade & other deposits	818.34	977.18
Deposits against demand under dispute	1,369.89	1,369.89
Prepaid expenses	696.01	438.48
	3,095.92	2,954.62
Current		
Unsecured, considered good, except where otherwise stated		
Advance to suppliers / service providers		
Considered good	2,158.18	2,313.75
Considered doubtful	133.05	94.36
	2,291.23	2,408.11
Less : Provision for doubtful advances	133.05	94.36
	2,158.18	2,313.75
Prepaid expenses	793.98	380.98
Balances with excise, customs, port trusts and other government authorities	642.00	611.58
Trade & other deposits	2.60	2.00
	3,596.76	3,308.31
Total other assets	6,692.68	6,262.93

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

10. Inventories

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Valued at Lower of Cost and Net Realisable Value		
Raw materials	1,805.62	1,995.75
Work-in-progress	2,785.42	3,529.77
Finished goods	1,421.10	2,731.75
Packing Material	424.45	346.39
Stores and spares	7,374.10	7,632.96
Fuels	3,099.87	7,284.84
At net realisable value		
Scrap	142.86	139.94
	17,053.42	23,661.40
The above includes stock in transit:		
Raw materials	-	3.03
Work-in-progress	213.48	-
Stores and spares	4.14	20.32
Fuels	146.26	1,915.91
	363.88	1,939.26

a. Inventories are pledged against the borrowings of the Company as referred in Note 17.

11. Trade receivables

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Secured, considered good	3,465.89	4,522.40
Unsecured, considered good	7,551.70	11,656.09
Trade Receivable - credit impaired	359.40	190.08
	11,376.99	16,368.57
Less : Impairment Allowance (allowance for bad and doubtful debts)	359.40	190.08
	11,017.59	16,178.49

a. Trade receivables are generally on terms of 0 to 90 days.

b. Trade receivables are pledged against the borrowings of the Company as referred in Note 17.

c. For ageing analysis of trade receivables, refer Note 44.

d. No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

12. Cash and cash equivalents

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Balances with banks	3,132.67	1,943.55
Deposits with original maturity for less than 3 months	-	1,500.00
Cheques in hand	372.07	23.82
Cash in hand	2.66	2.68
	3,507.40	3,470.05

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Changes in liabilities arising from financing activities

(₹ in Lacs)

Particulars	1st April 2020	Cash Flows	Others	31st March 2021
Current borrowings (excluding items listed below)	8,177.93	(8,177.93)	-	-
Current obligations under deferred sales tax loan	918.98	(918.98)	1,280.32	1,280.32
Current lease liabilities	213.84	(245.17)	165.51	134.18
Non-current borrowings (excluding items listed below)	1,10,893.00	(33,991.93)	116.93	77,018.00
Non-current obligations under deferred sales tax loan	2,646.13	-	(1,280.32)	1,365.81
Non-current lease liabilities	134.18	-	(134.18)	-
	1,22,984.06	(43,334.01)	148.26	79,798.31

(₹ in Lacs)

Particulars	1st April 2019	Cash Flows	Others	31st March 2020
Current borrowings (excluding items listed below)	5,892.64	(5,965.63)	8,250.92	8,177.93
Current obligations under deferred sales tax loan	461.41	(461.41)	918.98	918.98
Current lease liabilities	-	(245.17)	459.01	213.84
Non-current borrowings (excluding items listed below)	1,19,059.12	-	(8,166.12)	1,10,893.00
Non-current obligations under deferred sales tax loan	3,565.11	-	(918.98)	2,646.13
Non-current lease liabilities	-	-	134.18	134.18
	1,28,978.28	(6,672.21)	677.99	1,22,984.06

The "Others" column includes the effect of reclassification of non-current portion of borrowings, including sales tax deferred loan to current due to the passage of time.

13. Other bank balances

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
On unpaid dividend accounts *	77.83	102.37
Deposits with original maturity for more than 3 months but less than 12 months	30.76	29.88
	108.59	132.25

* earmarked for payment of unpaid dividend only.

Receipts for ₹ 30.76 lacs (31st March 2020: ₹ 29.88 lacs) are lodged with Government Departments/Banks as security.

14. Investments

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Investment in Mutual Funds		
Unquoted (at Fair Value through Profit and Loss)		
- 3,57,181.4114 (31st March 2020 - Nil) units in SBI Liquid Fund Direct - Growth	11,507.03	-
	11,507.03	-
Aggregate amount of Unquoted Investments	11,507.03	-

15. Equity Share Capital

(₹ in Lacs)

Particulars	31st March 2021		31st March 2020	
	No. in lacs	₹ in Lacs	No. in lacs	₹ in Lacs
Authorized share capital	5,000.00	5,000.00	5,000.00	5,000.00
Issued, subscribed and fully paid-up	2,048.69	2,048.69	2,048.69	2,048.69

There is no change in the number of shares in current year and corresponding previous year.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

a) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

During the year ended 31st March 2021, final dividend of ₹ 0.75 per share (31st March 2020: ₹ 0.75 per share) and Interim dividend of ₹ 0.50 per share (31st March 2020: ₹ Nil per share) was recognised for distribution to equity shareholders respectively.

The Board of Directors, at its meeting on 17th May 2021, have proposed a final dividend of ₹1.50 per equity share for the financial year ended 31st March 2021. The proposal is subject to the approval of shareholders at the forthcoming Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 3,073.03 lacs. Proposed dividend is accounted for in the year in which it is approved by the shareholders.

b) Details of shareholders holding more than 5% shares in the Company

(₹ in Lacs)

Particulars	31st March 2021		31st March 2020	
	No. in lacs	% holding in the class	No. in lacs	% holding in the class
Equity shares of ₹ 1 each fully paid				
Central India Industries Limited	491.44	23.99	491.44	23.99
HDFC Trustee Company Limited A/c HDFC Balanced Advantage Fund	172.69	8.43	184.30	9.00
Shekhavati Investments and Traders Limited	123.61	6.03	123.21	6.01
Franklin Templeton Mutual Fund A/c Franklin India Focused Equity Fund	160.00	7.81	150.21	7.33

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

c) For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer Note 37.

16. Other Equity

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
General Reserve	71,056.95	71,056.95
Employee Stock Options Outstanding (Note 37)		
Balance as per last financial statements	1,168.34	1,477.18
Less: Lapse during the year	-	125.35
Less: Transferred to Retained Earnings*	-	183.49
	1,168.34	1,168.34
Retained Earnings		
Opening Balance	37,562.92	30,767.80
Add : Profit for the year	21,418.53	8,658.97
Less : Other Comprehensive Income for the year	103.98	194.98
Less : Final Dividend	1,536.52	1,536.52
Less : Interim Dividend	1,024.35	-
Less : Dividend distribution tax	-	315.84
Add : Transferred from Employee Stock Options Outstanding*	-	183.49
Closing Balance	56,316.60	37,562.92
Total	1,28,541.89	1,09,788.21

* in relation to options lapsed after the vesting period.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

General Reserve: The General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss. As per Companies Act 2013, transfer of profits to General reserve is not mandatory.

Employee Stock Options Outstanding: The Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 37 for further details of these plans.

Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

17. Borrowings

(₹ in Lacs)

Particulars	Effective Interest rate	Maturity	31st March 2021	31st March 2020
Non-current borrowings				
Term loans				
From Banks				
Secured bank loans	7.57% - 8.26%	2017-2031	77,018.00	1,19,044.93
From other parties				
Deferred sales tax loan (Unsecured)		2012-2023	2,646.13	3,565.11
			79,664.13	1,22,610.04
Current maturity of long term loans				
Secured bank loans (Note 23)			-	8,151.93
Deferred sales tax loan (Unsecured) (Note 23)			1,280.32	918.98
Amount disclosed under the head "Other current financial liabilities"			1,280.32	9,070.91
Total non-current borrowings			78,383.81	1,13,539.13
Current borrowings				
Loan repayable on demand				
Cash credit from banks (Secured)			-	26.00
Total current borrowings			-	26.00

- Term Loans from Banks are secured by way of a first ranking pari passu mortgage on all the immovable properties both present and future of Chittapur taluka unit at Gulbarga District, first ranking pari passu charge on all the movable fixed assets and a second ranking pari passu charge on the current assets of the aforesaid unit.

The above loans are repayable in 56 quarterly instalments ranging from 1% to 2.5% of the loan amount and repayment starting from 30th June 2017 and ending on 31st March 2031. The above loans carry coupon interest @ 7.50% to 8.90% p.a (31st March 2020: 8.40% to 9.05% p.a.)

During the year, the Company has made repayment of term loans amounting to ₹ 42,143.86 lacs which includes prepayment of ₹ 8,151.93 lacs in respect of instalments due till March 2022 and additional instalments of ₹ 25,840.00 lacs in respect of loans due in future periods and accordingly current maturities of long term loans as at March 31, 2021 is ₹ Nil.

- Deferred sales tax loan is interest free and payable in 26 unequal instalments, starting from February 2012 and ending on January 2023.
- Cash credit from banks is secured by way of first charge on all the stock and book debts of the Company. The cash credit is repayable on demand and carries interest @ Nil (31st March 2020: 8.20% to 8.70% p.a.).

18. Other financial liabilities (Non-current)

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Lease Liability (Note 38)	-	134.18
	-	134.18

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

19. Provisions

Particulars	(₹ in Lacs)	
	31st March 2021	31st March 2020
Non-current		
Provision for gratuity (Note 36)	3,036.43	2,323.92
Provision for mining restoration costs	524.27	493.20
Provision for rehabilitation & resettlement obligation relating to mines	2,155.23	1,176.09
	5,715.93	3,993.21
Current		
Provision for gratuity (Note 36)	194.41	170.95
Provision for leave benefits	1,523.10	1,271.93
Provision for mining restoration costs	17.48	13.16
Provision for rehabilitation & resettlement obligation relating to mines	1,578.39	2,729.94
	3,313.38	4,185.98

Provision for mining restoration costs

The activities of the Company involve mining of land taken under lease. In terms of relevant statutes, the mining areas would require restoration at the end of the mining lease. The future restoration expenses are affected by a number of uncertainties, such as, technology, timing etc. As per the requirement of Ind AS 37, the management has estimated such future expenses on best judgment basis and provision there of has been made in the accounts at their present value. The table below gives information about movement in mining restoration cost provisions.

Particulars	(₹ in Lacs)	
	31st March 2021	31st March 2020
Opening balance	506.36	524.27
Add: Arisen during the year	-	-
Less: Utilized during the year	4.59	2.71
Add: Unwinding of discount	39.98	(15.20)
Closing balance	541.75	506.36
Current	17.48	13.16
Non-current	524.27	493.20

Provision for rehabilitation & resettlement obligation relating to mines

In terms of Environment clearance given by Ministry of Environment, Forest and Climate Change (MOEF) for the Company's integrated plant at Chittapur, Karnataka, the Company is required to spend ₹ 7,261.62 lacs on socio economic welfare measures. As per the requirement of Ind AS 37, provision thereof has been made in the accounts at their present value. The table below gives information about movement in rehabilitation & resettlement cost provisions.

Particulars	(₹ in Lacs)	
	31st March 2021	31st March 2020
Opening balance	3,906.03	4,072.53
Add: Arisen during the year	-	-
Less: Utilized during the year	193.67	466.09
Add: Unwinding of discount	21.26	299.59
Closing balance	3,733.62	3,906.03
Current	1,578.39	2,729.94
Non-current	2,155.23	1,176.09

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

20. Income tax

Income tax expense in the Statement of Profit and Loss comprises:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Current Tax	5,857.03	2,393.03
Adjustment of tax relating to earlier periods	110.71	-
MAT Credit	(5,857.03)	(2,393.03)
Deferred Tax Charge	11,831.22	5,080.90
Income Tax expense	11,941.93	5,080.90

Entire deferred / income tax for the year ended 31st March 2021 and 31st March 2020 relates to origination and reversal of temporary differences.

A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Profit before Income Tax	33,360.46	13,739.87
Enacted Tax rates in India	34.94%	34.94%
Computed expected tax expense	11,657.48	4,801.26
Effect of non-deductible expenses		
CSR expenses disallowed under the Income tax Act, 1961	288.47	173.02
Charity & Donation	71.64	139.95
ESOP Reversal	-	64.12
Difference between tax depreciation and book depreciation estimated to be reversed during tax holiday period	-	(135.54)
Others	(75.66)	38.09
Income Tax expense	11,941.93	5,080.90

The applicable Indian statutory tax rate for fiscal 2021 is 34.94% and fiscal 2020 is 34.94%.

The Company, based on assessment and evaluations carried out by the management, continues to pay income tax under older tax regime during the year ended 31st March 2021. The Company did not opt for lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 pursuant to Taxation Law (Amendment) Ordinance, 2019, considering accumulated MAT credit, unabsorbed additional depreciation losses and other benefits under the Income Tax Act, 1961.

The significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Deferred tax liability		
Property, plant and equipment and Intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	38,489.70	38,214.25
Gross deferred tax liability	38,489.70	38,214.25
Deferred tax asset		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis in future years	1,821.64	1,422.31
Impact of business loss and unabsorbed depreciation	5,701.83	17,677.88
Provision for doubtful debts and advances	191.30	114.51
MAT Credit entitlement	12,664.39	6,807.36
Gross deferred tax asset	20,379.16	26,022.06
Net deferred tax liability	18,110.54	12,192.19

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

21. Contract Liabilities

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Advances from customers	3,545.04	2,676.70
	3,545.04	2,676.70

22. Trade payables

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Trade payables		
• total outstanding dues of micro enterprises and small enterprises (refer Note 42 for details of dues to micro and small enterprises)	406.50	168.24
• total outstanding dues of creditors other than micro enterprises and small enterprises	18,038.02	17,466.96
	18,444.52	17,635.20

Trade payables are non-interest bearing and normally settled on 0 to 45 day terms.

23. Other financial liabilities (Current)

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Current maturities of Long term loans (Note 17)	-	8,151.93
Current maturities of Deferred sales tax loan (Note 17)	1,280.32	918.98
Interest accrued but not due on borrowings	115.70	145.17
Unpaid dividend	77.83	102.37
Trade & other deposits	9,266.43	7,845.10
Capital creditors	1,553.23	1,492.60
Employee Benefits payable	1,957.14	1,307.99
Lease Liability (Note 38)	134.18	213.84
Other miscellaneous payable	0.78	0.78
	14,385.61	20,178.76

24. Other liabilities (Current)

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Statutory dues payable	8,716.43	3,543.76
	8,716.43	3,543.76

25. Current tax liabilities (net)

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Provision for income tax (net of advance income tax and tax deducted at source)	-	37.22
	-	37.22

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

26. Revenue from operations

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Sale of products		
Finished goods	2,56,515.70	2,59,054.86
Semi-finished goods	-	198.30
	2,56,515.70	2,59,253.16
Less: Cash discount, rebates, incentives etc.	24,283.59	17,327.40
	2,32,232.11	2,41,925.76
Other operating revenue		
Scrap sales	158.90	239.10
Sale of power	17.69	14.86
	2,32,408.70	2,42,179.72

Disaggregated revenue information

- The Company is primarily in the business of manufacture and sale of cement. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The amounts receivable from customers are generally on terms of 0 to 90 days. There is no significant financing component in any transaction with the customers.
- The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.
- The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.
- The management determines that the segment information reported in Note 43 is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with customers.

27. Other income

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Interest income on		
Loans, deposits, others etc.	325.95	450.98
Other non-operating income		
Insurance & other claims	0.73	3.93
Rent & hire charges	16.10	14.31
Unspent liabilities and unclaimed balances adjusted	1,153.41	1,021.78
Profit on sale of fixed assets (net)	-	7.98
Gain on exchange rate fluctuations (net)	61.89	50.12
Profit on sale and fair valuation of Investments in Mutual Fund (net)	177.67	15.61
Other miscellaneous income	99.14	207.36
	1,834.89	1,772.07

28. Cost of raw materials consumed

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Inventory at the beginning of the year	1,995.75	1,549.57
Add: Purchases & procurement expenses	30,232.43	36,018.32
	32,228.18	37,567.89
Less: Inventory at the end of the year	1,805.62	1,995.75
	30,422.56	35,572.14

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

29. (Increase) / Decrease in inventories of finished goods and work in progress

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Inventories at the end of the year		
Work-in-progress	2,785.42	3,529.77
Finished goods	1,421.10	2,731.75
Scrap	142.86	139.94
	4,349.38	6,401.46
Inventories at the beginning of the year		
Work-in-progress	3,529.77	1,637.03
Finished goods	2,731.75	1,206.62
Scrap	139.94	68.54
	6,401.46	2,912.19
	2,052.08	(3,489.27)

30. Employee benefits expense

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Salaries, wages and bonus	13,552.58	13,715.10
Contribution to provident and other funds	745.45	787.28
Gratuity expense (Note 36)	644.71	506.58
Staff welfare expenses	310.92	477.16
	15,253.66	15,486.12

31. Finance costs

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Interest on borrowings (at amortised cost)	8,742.73	11,388.05
Interest on Deposits from Dealer	334.58	464.40
Interest Others	134.93	93.31
Other borrowing cost (includes bank charges, processing fees, etc)	193.30	160.78
Total interest expense	9,405.54	12,106.54
Unwinding of interest on provisions and Lease Liability (Note 19 and Note 38)	92.55	333.37
Less: Transfer to Capital work-in-progress / Property, plant and equipment	140.90	207.86
	9,357.19	12,232.05

32. Depreciation and amortisation expenses

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Depreciation of property, plant and equipment (Note 3)	13,743.76	13,556.10
Amortisation of intangible assets (Note 4)	232.08	321.79
Depreciation of Right to Use Assets (Note 5)	209.60	209.60
	14,185.44	14,087.49

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

33. Other expenses

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Consumption of stores and spares	6,022.21	7,486.38
Handling & other charges to contractors	2,455.78	2,560.52
Rent & hire charges (Note 38)	868.43	915.84
Rates and taxes	438.14	484.47
Insurance	495.64	222.12
Repairs and maintenance		
Plant and machinery	3,792.71	4,661.88
Buildings	578.19	462.17
Others	884.71	800.25
CSR expenditure (Note 46)	825.53	495.14
Advertising and sales promotion	1,940.54	3,306.09
Commission on sales	1,566.09	1,709.49
Payment to auditor		
As Auditor:		
Audit fee	33.50	33.50
Limited review	28.50	28.50
Tax Audit fee	8.00	8.00
In other capacity:		
For certificates & other services	16.00	8.50
Reimbursement of expenses	1.84	1.75
Professional & consultancy charges	1,198.40	1,479.76
Charity & Donations	205.00	400.50
Director's commission	150.00	100.00
Directors' sitting fees	117.50	78.00
Bad debts / advances written off (net of reversals)	204.97	4.20
Provision for doubtful debts, advances & other receivables	219.76	12.95
Loss on sale/discard of Property, plant and equipment (net)	11.08	-
Miscellaneous expenses	1,674.44	2,653.74
Self-Consumption of Cement	(75.67)	(73.07)
	23,661.29	27,840.68

34. Earnings per share (EPS)

The following table reflects the profit and earning per share data used in the basic and diluted EPS computations:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Profit after tax	21,418.53	8,658.97
Net Profit for calculation of basic and diluted EPS	21,418.53	8,658.97
Weighted average number of equity shares in calculating basic EPS	2,048.69	2,048.69
Effect of dilution:		
Weighted average number of equity shares in calculating diluted EPS	2,048.69	2,048.69
Earnings per equity share [nominal value of share ₹1] (31st March 2020 : ₹1)		
Basic (₹)	10.45	4.23
Diluted (₹)	10.45	4.23

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

35. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses including unabsorbed depreciation can be utilised. Significant management estimate and assumptions is required to determine the amount deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further, details on taxes are disclosed in Note 20.

Provision for Restoration cost and Rehabilitation and resettlement cost obligations relating to mines

In determining the fair value of the Restoration cost and Rehabilitation and resettlement cost obligation relating to mines, assumptions and estimates are made in relation to discount rates, the expected cost to be incurred over the specified period and the expected timing of such costs. Also refer Note 19.

Useful Lives of Property, Plant & Equipment

The Company uses technical expertise along with historical and industry trends for determining the economic life of an certain asset/ component of an asset. The useful lives are reviewed by management yearly and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Defined benefit plans

The cost of defined benefit gratuity plan and its present value of the 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 and mortality rates. Due to the complexities involved in the valuation and its long-term nature, an employee benefit obligation is highly sensitive to changes in these assumptions particularly the discount rate and estimate of future salary increase. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 36.

Share-based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 37.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates such as discount rates and growth rates.

36. Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan. The gratuity plan is governed by The Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The scheme is funded with an insurance company in the form of qualifying insurance policy for own employees and unfunded for contractor and school employees.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the plan.

Statement of Profit and Loss

Net employee benefit expense recognized in the employee cost

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Service cost	252.14	226.46	253.83	173.40
Net Interest cost / (income) on the net defined benefit liability / (asset)	46.77	20.49	117.78	111.49
Net benefit expense #	298.91	246.95	371.61	284.89
Actual return on plan assets	60.63	98.42	-	-

including amount of ₹25.81 lacs (31st March 2020 : ₹25.26 lacs) disclosed under CSR expenditure.

Other comprehensive income

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Actuarial (gains) / losses				
- change in demographic assumptions	-	0.13	-	0.13
- change in financial assumptions	90.88	164.08	31.94	164.07
- experience variance (i.e. Actual experience vs assumptions)	(73.44)	3.88	76.01	(59.28)
Return on plan assets, excluding amount recognised in net interest expense	34.43	26.70	-	-
Components of defined benefit costs recognised in other comprehensive income	51.87	194.79	107.95	104.92

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Balance sheet

Benefit asset/ liability

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Present value of defined benefit obligation	2,343.40	2,150.47	2,170.99	1,785.80
Fair value of plan assets	1,283.55	1,441.40	-	-
Net liability	1,059.85	709.07	2,170.99	1,785.80

Changes in the present value of the defined benefit obligation are as follows:

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Opening defined benefit obligation	2,150.47	1,899.41	1,785.80	1,454.32
Current service cost	252.14	226.46	253.83	173.40
Interest cost	141.83	145.61	117.78	111.49
Re-measurement (or Actuarial) (gain) / loss arising from:				
- change in demographic assumptions	-	0.13	-	0.13
- change in financial assumptions	90.88	164.08	31.94	164.07
- experience variance (i.e. Actual experience vs assumptions)	(73.44)	3.88	76.01	(59.28)
Benefits paid	(218.48)	(289.10)	(94.37)	(58.33)
Closing defined benefit obligation	2,343.40	2,150.47	2,170.99	1,785.80

Changes in the fair value of plan assets are as follows:

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	31st March 2021	31st March 2020	31st March 2021	31st March 2020
Opening fair value of plan assets	1,441.40	1,632.08	-	-
Expected return / Investment Income	95.06	125.12	-	-
Benefits paid	(218.48)	(289.10)	-	-
Return on plan assets, excluding amount recognised in net interest expense	(34.43)	(26.70)	-	-
Closing fair value of plan assets	1,283.55	1,441.40	-	-

The Company expects to contribute ₹ 500.00 lacs (31st March 2020 : ₹ 400.00 lacs) to gratuity in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31st March 2021	31st March 2020
Investments with insurer	100%	100%

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	31st March 2021	31st March 2020
Discount rate	6.45%	6.60%
Expected rate of return on assets	6.60%	6.60%
Future salary increases:		
Management staff		
1st year	10.00%	7.00%
Thereafter	7.00%	7.00%
Other than Management staff	7.00%	7.00%
Mortality Rate (% of IALM 2012-14) (31st March, 2020 : % of IALM 2012-14)	100%	100%

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 overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Defined Contribution Plan :

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Contribution to Provident / Pension Funds	649.93	668.28
Contribution to Superannuation Fund	72.87	75.40
	722.80	743.68

Funded

A quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lacs)

Assumptions	31st March 2021 Discount rate		31st March 2020 Discount rate	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level				
(Decrease)/Increase in gratuity defined benefit obligation	(173.91)	201.65	(157.19)	181.95

(₹ in Lacs)

Assumptions	31st March 2021 Future salary		31st March 2020 Future salary	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level				
(Decrease)/Increase in gratuity defined benefit obligation	197.89	(174.04)	179.41	(158.02)

Non-Funded

A quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lacs)

Assumptions	31st March 2021 Discount rate		31st March 2020 Discount rate	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level				
(Decrease)/Increase in gratuity defined benefit obligation	(199.20)	235.24	(157.53)	185.16

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(₹ in Lacs)

Assumptions	31st March 2021 Future salary		31st March 2020 Future salary	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level				
(Decrease)/Increase in gratuity defined benefit obligation	228.86	(199.36)	181.08	(157.74)

37. Employee stock option scheme

The Company provides share-based payment schemes to its employees. The Company had formulated an employee stock option scheme, namely Employee Stock Option Scheme 2015 (ESOP) in an earlier year. The relevant details of the scheme and grant are as below:

On 8th May 2015, the Board of Directors approved the Employee Stock Option Scheme 2015 for issue of stock options to the key employees of the Company. According to the scheme, the employee selected by the remuneration committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions viz, continuing employment on the rolls of the Company as on 1st April 2015 as well as new employees who replaces the old eligible employee and joins the employment of the Company before 30th June 2017 and continuing employment till grant date. The other relevant terms of the grant are as below:

Vesting Period	40% vest after 3 years 60% vest after 4 years
Exercise Period	4 Years
Expected Life	5.6 Years
Exercise Price (₹)	135
Market price as on 4th August, 2015 (₹)	183.25

The details of the activity under the scheme are as below:

Particulars	31st March 2021	31st March 2020
	No of options	No of options
Outstanding at the beginning of the year	11,06,000	14,73,900
Granted during the year	-	-
Lapsed during the year	-	3,67,900
Outstanding at the end of the year	11,06,000	11,06,000
Exercisable at the end of the year	11,06,000	11,06,000

No option has been exercised as on the year end under the above scheme.

The weighted average remaining contractual life for the stock options outstanding as at 31st March 2021 is 0.09 years (31st March 2020 1.09 years).

The weighted average fair value of the stock options granted was ₹105.64. The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	31st March 2021	31st March 2020
Dividend yield (%)	0.96%	0.96%
Expected volatility	44.90%	44.90%
Risk-free Interest rate	8%	8%
Weighted average share price (₹)	183.50	183.50
Exercise price (₹)	135	135
Expected life of options granted in years	5.6	5.6

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

The expected life of the stock is based on current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

38. Leases

The Company has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery, motor vehicles and other equipment generally have lease terms between 1 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Company as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Opening balance	334.61	544.21
Depreciation expense	209.60	209.60
Closing balance	125.01	334.61

Set out below are the carrying amounts of lease liabilities and the movements during the year:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Opening balance	348.02	544.21
Accretion of interest	31.33	48.98
Payments	245.17	245.17
Closing balance	134.18	348.02
Current	134.18	213.84
Non-current	-	134.18

The maturity analysis of lease liabilities are disclosed in Note 44.

The effective interest rate for lease liabilities is 9.0%, with maturity between 2021-2022

The following are the amounts recognised in Statement of Profit and Loss:

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Depreciation expense of right-of-use assets	209.60	209.60
Interest expense on lease liabilities	31.33	48.98
Expense relating to other leases (included in other expenses)	868.43	915.84
Total amount recognised in Statement of Profit and Loss	1,109.36	1,174.42

Impact on Statement of Cash Flows

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Payment of principal portion of lease liabilities	213.84	196.19
Payment of interest portion of lease liabilities	31.33	48.98
Net cash flows used in financing activities	245.17	245.17

There is no material impact on other comprehensive income or the basic and diluted earnings per share.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

39. Capital and other commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹1,525.03 lacs (31st March 2020: ₹ 2,285.93 lacs).

40. Contingent liabilities

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Claims against the Company not acknowledged as debt :		
Excise Duty and Customs	730.62	714.15
Sales Tax (including Entry Tax)	1,060.37	1,064.48
Income Tax	1,137.12	942.90
Electricity Duty (Refer note 'a' below)	1,691.31	1,691.31
Bank Guarantee	600.00	600.00
Others (including power fuel surcharge adjustment, and towards certain vendors and employees)	1,580.36	1,580.36
	6,799.78	6,593.20

Note:

- The plea by the Company challenging the constitutional validity of Electricity duty demand of ₹ 1,691.31 lacs had been dismissed by the Hon'ble High Court, Hyderabad in an earlier year. The Company, along with other industry members, had appealed the matter before Hon'ble Supreme Court of India with paying a protest money of ₹ 1,005.76 lacs, where the hearing is pending. Based on management's internal assessment and also considering advice of an external legal counsel, the Company believes that the demand shall not sustain under law.
- Based on discussions with the solicitors/ favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision there against is considered necessary. The timing of outflow of resources is not ascertainable.

41. Related party disclosures

List of members of Board of Directors/key managerial personnel and other related parties

Chairman and Non-Executive Director	Mr. CK. Birla
Managing Director & Chief Executive Officer	Mr. Desh Deepak Khetrpal
	Mrs. Amita Birla
	Mr. Rajeev Jhawar
Other Directors	Mr. Rabindranath Jhunjhunwala
	Mr. Janat Shah
	Mr Swapan Dasgupta
	Mr. I.Y.R Krishna Rao
	Mrs. Varsha Vasant Purandare
Relatives of Directors	Mrs. Nirmala Birla
	Ms. Avanti Birla
	Ms. Avani Birla
Chief Financial Officer	Mr. Soumitra Bhattacharyya
Company Secretary	Mrs. Nidhi Bisaria
Firms in which a director, manager or his relative is a partner	Khaitan & Co LLP
	Khaitan & Co, Mumbai
Public limited companies in which a director or manager is director and holds along with his relatives, more than two percent of its paid-up share capital	Orient Paper & Industries Limited
	Orient Electric Limited

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

Investing Company	Central India Industries Limited
Entity that is a post-employment benefit plan for the benefit of employees.	Orient Cement Limited Employees Superannuation Fund Orient Cement Limited Employees Gratuity Fund
	Birlasoft Limited
	CK Birla Corporate Services Limited
Other related entities	GMMCO Limited
	HIL Limited
	National Engineering Industries Limited

Related party transactions

The details of related parties transactions entered into by the Company for the year ended 31st March 2021 and 31st March 2020, and the details of amounts due to or due from related parties as at 31st March 2021 and 31st March 2020:

(₹ in Lacs)

Particulars	Year Ended	Transaction during the period	Amount owed to related parties
Members of Board of Directors/key managerial personnel			
Sitting fees and Commission to Non-Executive Directors	31-Mar-21	267.50	150.00
	31-Mar-20	178.00	100.00
Dividend paid to Directors			
Dividend payment	31-Mar-21	44.27	-
Dividend payment	31-Mar-20	26.56	-
Managing Director & Chief Executive Officer			
Salary, bonus and contribution to PF	31-Mar-21	691.00	121.69
Salary, bonus and contribution to PF	31-Mar-20	1,132.83	207.00
Share based payment	31-Mar-20	45.04	-
Chief Financial Officer			
- Mr. Soumitra Bhattacharyya #			
Salary, bonus and contribution to PF	31-Mar-21	180.65	38.00
Salary, bonus and contribution to PF	31-Mar-20	32.56	6.64
- Mr. Sushil Gupta #			
Salary, bonus and contribution to PF	31-Mar-20	186.48	-
Company Secretary			
Salary, bonus and contribution to PF	31-Mar-21	28.34	2.95
Salary, bonus and contribution to PF	31-Mar-20	29.00	2.95
Relatives of Director			
Dividend payment	31-Mar-21	42.77	-
Dividend payment	31-Mar-20	25.66	-
Firms in which a director, manager or his relative is a partner			
- Khaitan & Co LLP			
Purchase of services	31-Mar-21	25.78	1.39
Purchase of services	31-Mar-20	18.11	-
- Khaitan & Co - Mumbai			
Purchase of services	31-Mar-21	15.38	-
Purchase of services	31-Mar-20	0.20	-
Reimbursement of expenses	31-Mar-20	0.70	-

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(₹ in Lacs)

Particulars	Year Ended	Transaction during the period	Amount owed to related parties
Public limited companies in which a director or manager is a director and holds along with his relatives, more than two percent of its paid-up share capital.			
- Orient Paper & Industries Limited			
Payment of Rent	31-Mar-21	14.16	-
Payment of Rent	31-Mar-20	14.16	-
- Orient Electric Limited			
Purchase of Goods	31-Mar-21	2.24	-
Purchase of Goods	31-Mar-20	8.42	2.55
Investing Company			
- Central India Industries Limited			
Dividend payment	31-Mar-21	614.30	-
Dividend payment	31-Mar-20	368.58	-
Entity that is a post-employment benefit plan for the benefit of employees.			
- Orient Cement Limited Employees Superannuation Fund			
Superannuation Fund Contribution	31-Mar-21	71.69	-
Superannuation Fund Contribution	31-Mar-20	78.19	-
Other related entities			
- Birlasoft Limited			
Purchase of services	31-Mar-21	19.99	4.68
Purchase of services	31-Mar-20	7.98	3.17
- CK Birla Corporate Services Limited			
Purchase of services	31-Mar-21	815.71	184.67
Purchase of services	31-Mar-20	970.03	131.63
- GMMCO Limited			
Purchase of goods	31-Mar-21	6.66	-
Purchase of services	31-Mar-21	14.07	-
Payment of Rent and office maintenance*	31-Mar-21	27.53	-
Purchase of goods	31-Mar-20	2.04	-
Purchase of services	31-Mar-20	0.75	-
Payment of Rent and office maintenance*	31-Mar-20	27.53	-
- HIL Limited			
Purchase of goods	31-Mar-21	0.38	-
Payment of Rent and office maintenance*	31-Mar-21	81.84	-
Purchase of goods	31-Mar-20	13.56	-
Payment of Rent and office maintenance*	31-Mar-20	81.84	-
- National Engineering Industries Limited			
Purchase of services	31-Mar-21	2.51	0.05
Payment of Rent and office maintenance*	31-Mar-21	60.53	-
Dividend payment	31-Mar-21	6.72	-

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(₹ in Lacs)

Particulars	Year Ended	Transaction during the period	Amount owed to related parties
Purchase of services	31-Mar-20	2.90	-
Payment of Rent and office maintenance*	31-Mar-20	60.22	-
Dividend payment	31-Mar-20	4.03	-

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

* Accounted as per Indian Accounting Standard 116 ('Ind AS 116')

Mr. Soumitra Bhattacharyya was appointed as the Chief Financial Officer w.e.f. 29th January 2020 upon resignation of Mr. Sushil Gupta w.e.f. the said date.

42. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	406.50	168.24
Interest due on above	-	-
	406.50	168.24
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

43. The management has considered that the Company has a single reportable segment based on nature of products, production process, regulatory environment, customers and distribution methods. Further, the Company is engaged in single product line of manufacturing and selling cement and its customers and non-current assets are located in India only.

No customer individually accounted for more than 10% of the revenues from external customers during the year ended 31st March 2021 and 31st March 2020.

44. Financial risk management objectives and policies

The Company's financial liabilities comprise loans and borrowings, security deposits, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents and Investments.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

The Company is exposed to market risk, credit risk and liquidity risk. The Company has a Risk management policy and its management is supported by a Risk management committee that advises on risks and the appropriate financial risk governance framework for the Company. The Risk management committee provides assurance to the Company's management that the Company's 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. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

Commodity Price Risk

The Company is exposed to commodity price risk arising out of fluctuation in prices of raw materials (flyash, gypsum and laterite) and fuel (coal and pet coke). Such price movements, mostly linked to external factors, can affect the production cost of the Company. To manage this risk, the Company take steps such as monitoring of prices, optimising fuel mix and pursue longer and fixed price contracts, where considered necessary. Additionally, processes and policies related to such risks are controlled by central procurement team and reviewed by the senior management.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows.

Particulars	(₹ in Lacs)	
	Increase/ decrease in basis points	Effect on profit before tax
31 March 2021	50 basis points	537.18
31 March 2020	50 basis points	600.15

Foreign currency risk

The Company's exposure to the risk of changes in foreign exchange rates is not significant.

Credit risk

Credit risk is the risk that counterparty 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).

Trade receivables

Customer credit risk is managed by the respective department subject to Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits as defined by the Company. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis. The calculation is based on historical data of credit losses.

The ageing analysis of the receivables (net of provision) has been considered from the date the invoice falls due.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(₹ in Lacs)

Trade Receivable	< 30 days	31 - 90 Days	91 to 180 days	> 180 days	Total
Mar-21	7,756.08	2,793.09	102.43	365.99	11,017.59
Mar-20	7,139.76	7,754.26	540.26	744.21	16,178.49

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lacs)

Particulars	0-1 year	2-5 year	6-10 year	Above 10 years	Total
Mar-21					
Borrowings *	7,084.32	50,709.18	59,489.47	-	1,17,282.97
Trade Payables	18,444.52	-	-	-	18,444.52
Other financial liabilities	13,105.29	-	-	-	13,105.29
Total	38,634.13	50,709.18	59,489.47	-	1,48,832.78
Mar-20					
Borrowings *	19,180.91	72,514.18	84,127.16	14,350.56	1,90,172.81
Trade Payables	17,635.20	-	-	-	17,635.20
Other financial liabilities	11,107.85	134.18	-	-	11,242.03
Total	47,923.96	72,648.36	84,127.16	14,350.56	2,19,050.04

* including future interest of ₹37,219.00 lacs (31st March 2020: ₹67,020.00 lacs) and gross of unamortised processing fees of ₹399.84 lacs (31st March 2020 : ₹516.77 lacs)

45. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders and issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Interest bearing borrowings (Note 17)	77,018.00	1,19,070.93
Less : Cash and cash equivalents (Note 12)	(3,507.40)	(3,470.05)
Less : Current Investment (Note 14)	(11,507.03)	-
Net debt (A)	62,003.57	1,15,600.88

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Equity Share Capital (Note 15)	2,048.69	2,048.69
Other Equity (Note 16)	1,28,541.89	1,09,788.21
Total Capital	1,30,590.58	1,11,836.90
Total Capital plus Net debt (B)	1,92,594.15	2,27,437.78
Gearing Ratio ((A)/(B))	0.32	0.51

46. Details of CSR expenditure

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020		
(a) Gross amount required to be spent by the Company during the year	185.86	50.92		
(b) Amount approved by the Board to be spent during the year	825.53	545.00		
	In cash	Yet to be paid in cash	Total	
(c) Amount spent during the year ending on 31st March 2021:				
i) Construction/acquisition of any asset	-	-	-	
ii) On purposes other than (i) above	799.72	25.81	825.53	
(d) Amount spent during the year ending on 31st March 2020:				
i) Construction/acquisition of any asset	-	-	-	
ii) On purposes other than (i) above	469.88	25.26	495.14	
		31st March 2021	31st March 2020	
(e) Details related to spent obligations:				
i) Promoting education		382.82	407.26	
ii) Contribution to PM CARES Fund – COVID-19		400.00	-	
iii) Other rural development and socio-economic activities		42.71	87.88	
		825.53	495.14	
	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
(f) Details of the excess amount spent:	-	185.86	825.53	639.67

Note: In view of the ongoing CSR commitments of the Company towards promoting education, healthcare and rural development, vis a vis, the statutory CSR obligations of the Company calculated as per the provisions of Section 135 of the Companies Act, 2013, it is unlikely that the amount available for set off would be utilized by the Company during the succeeding three financial years. Accordingly, no adjustments have been made to this effect.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

47. Distribution of Dividend

(₹ in Lacs)

Particulars	31st March 2021	31st March 2020
Dividend on equity shares declared and paid :		
Final dividend for the year ended 31st March 2020 : ₹ 0.75 per share (31st March 2019: ₹ 0.75 per share)	1,536.52	1,536.52
Dividend Distribution Tax on Final dividend	-	315.84
Interim dividend for the year ended 31st March 2021 : ₹ 0.50 per share (31st March 2020: Nil per share)	1,024.35	-
	2,560.87	1,852.36
Proposed Dividend on equity shares :		
Proposed dividend on equity shares for the year ended on 31st March 2021 : ₹ 1.50 per share (31st March 2020 : ₹ 0.75 per share)	3,073.03	1,536.52
	3,073.03	1,536.52

48. Fair Value

The fair value of the financial assets and liabilities approximates their carrying amounts as at the balance sheet date.

Investments in mutual funds, categorised under Level 2 fair value instruments, have been measured at fair value through profit and loss using net asset value (NAV) stated by the issuers of such mutual fund units in the published statements as at the end of the reporting period.

49. During the year Company has entered into Share Purchase, Subscription and Shareholder's Agreement and Options Agreement with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited for acquisition of 26% stake in the share capital of AMPSolar Systems Private Limited through a combination of equity shares and compulsory convertible debentures (CCD), with total cost of acquisition of ₹ 405.00 lacs approximately. As on March 31, 2021, the Company has neither made any payment towards such acquisition nor subscribed to shares/debentures in AMPSolar Systems Private Limited till the balance sheet date. The purpose of acquisition is to set up a solar power plant in Maharashtra under Captive Scheme for Company's grinding unit at Jalgaon.

50. COVID 19 impact on business operations of the Company

On account of outbreak of Covid-19 pandemic and consequent lockdown imposed by the Government, the manufacturing facilities of the Company were temporarily shut down during the start of the current year. These facilities were opened in a phased manner in the months of April and May 2020 as the lockdown conditions were relaxed. Accordingly, sales volume of the current year is impacted, although cement demand has been progressively recovering over the year with improved prices. As at the year end, the country is again witnessing surge in Covid-19 cases referred to as second wave of pandemic. Although, the Government of India has ruled out a nationwide lockdown as of now, local and regional lockdowns / restrictions are implemented in certain areas. In these circumstances, safety of our employees continues to be our key priority.

Further, in view of such highly uncertain economic environment which is continuously evolving, the Company has considered the possible effects that may result from Covid-19 pandemic in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. The Company has used internal and external sources of information for such assessment at the date of approval of these financial statements and does not anticipate any challenge in the Company's ability to continue as a going concern. The impact of pandemic on the Company's financial statements in subsequent periods is highly dependent on the situations as they evolve, and the eventual impact may differ from that estimated as at the date of approval of these financial statements.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March 2021

- 51.** During the year, the Company has reclassified mining expenditure incurred for limestone extraction from other expenses to cost of raw materials consumed for better presentation taking into consideration the nature of underlying expenditure. Comparative figures of previous year have also been reclassified to make them comparable with the current year figures. The above reclassification has no effect on the net profit/equity of the Company.
- 52.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

As per our report of even date

For **S.R. Battiboi & Co. LLP**

Firm registration number:301003E/E300005

Chartered Accountants

per **Sanjay Kumar Agarwal**

Partner

Membership No.: 060352

Place: Kolkata

Date: 17th May 2021

For and on behalf of Board of Directors

CK. Birla

Chairman

(DIN 00118473)

Place: London

S. Bhattacharyya

Chief Financial Officer

(FCA 059004)

Place: Hyderabad

D.D. Khetrpal

Managing Director & CEO

(DIN 02362633)

Place: New Delhi

N. Bisaria

Company Secretary

(FCS 5634)

Place: Ghaziabad

Orient Cement Limited

CIN : L269400R2011PLC013933

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